



# County of Los Angeles **CHIEF EXECUTIVE OFFICE**

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Chief Executive Officer

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January 15, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **TEN-YEAR LEASE - PUBLIC LIBRARY 27971 SLOAN CANYON ROAD, CASTAIC (FIFTH DISTRICT) (3 VOTES)**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chair to sign the ten-year lease with NNN SFS TOWN CENTER, LLC (Landlord) for the occupancy of 6,985 rentable square feet of space for the Public Library (Library), at 27971 Sloan Canyon Road, Castaic, for a maximum first year rental amount of \$687,032, which includes: an initial annual rent of \$217,932, plus first year payment of \$469,100 lump sum payment for additional Tenant Improvements (TI) and change order allowance. The rental cost is 100 percent net County cost and will be covered by Fifth District Capital Project funds.
2. Authorize the Landlord and/or Director of Internal Services Department (ISD), at the discretion of the Chief Executive Office (CEO) to acquire telephone systems for the Library at a cost not to exceed \$400,000. All of the telephone, data and low voltage systems will be paid in lump sum, in addition to other TI allowances through Fifth District Capital Projects funds.
3. Consider the Negative Declaration together with the fact that no comments were received during the public review process, find that the project will not have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment of the County of Los Angeles (County) to approve the Negative Declaration, find that the project will have no adverse effect on wildlife resources, and authorize the CEO to complete and file a Certificate of Fee Exemption for the project.

4. Approve the project and authorize the CEO, Library, and ISD to implement the project. The ten-year lease will commence upon completion of the improvements by the Landlord and acceptance of the improvements by the County.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The current population in the communities of Castaic and Val Verde, as well as future growth projections, indicate that a community library is needed in the area to provide library services to local residents. Other public libraries in the area are at their service limits and have little or no capacity to serve these residents. Currently, local residents must rely on bookmobile service or drive at least ten miles to the Valencia Library, the nearest full-service Library in the area, which is already operating at capacity. The establishment of a library in Castaic is consistent with the Library's long-range facility planning and will meet the service needs of the local population. Construction of a new library in Castaic is not feasible at the present time due to cost constraints, and therefore the decision was made to establish a community library in a leased facility.

A recently completed library needs assessment survey in Castaic and Val Verde clearly shows a desperate need on the part of local residents for library service in these communities. The new Castaic Library will focus on those library services that community members identified as their top priorities in the needs assessment survey: children's collection and programming, a homework center to support local students, a teen space and teen programming, internet and computer access, and quiet areas for adults to read and work.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The Countywide Strategic Plan directs that we provide organizational effectiveness and ensure that service delivery systems are efficient, effective and goal oriented (Goal 3) and that we improve the quality of life for the residents of the County's unincorporated communities by offering a wide range of department coordinated services responsive to each community's specific needs (Goal 6). The CEO, in conjunction with the Library, will establish a library in leased space to ensure compliance with the Strategic Asset Management principals as further outlined in Attachment A.

### **FISCAL IMPACT/FINANCING**

The annual base lease cost for the proposed facility will initially be \$217,932, which includes approximately \$69,850 in base TI provided at the sole cost of the Landlord. The Landlord will also provide an additional TI and change order allowance of \$469,100 for construction thereof.

The lease requires the County to reimburse the Landlord in a lump sum for the additional TI, change order allowance and all of the telephone, data, and low voltage systems if provided by Landlord within 30 days after acceptance of the premises by the County.

<b>27971 SLOAN CANYON ROAD CASTAIC</b>	<b>PROPOSED TEN-YEAR LEASE</b>
Area (Square feet)	6,985
Term	Ten years (upon acceptance of space by County)
Annual Base Rent	\$217,932/\$31.20/sq.ft. (includes \$69,850 in base TI provided by Landlord)
Additional TI	\$469,100 (funds for TI construction will be repaid via lump sum by the County within 30 days of acceptance by the County)
Maximum 1 <sup>st</sup> Year Rent	\$687,032*
Parking Included in Rent	30 off-street spaces
Cancellation	Anytime after the 84 <sup>th</sup> month, on 365 days notice.
Option to Renew	Two five-year options to renew the lease at the greater of 90 percent of market or base rent during the final month.
Rental Adjustment	Base Rent adjusted annually at a minimum of 2.5 percent to a maximum of 5 percent and the Base Operating Expense Rent (\$58,674 base year) not to exceed 5 percent of the estimated controllable Operating Expense Costs.

\*This includes annual base rent of \$217,932 and one time reimbursement, in lump sum payment, of Additional TI and change order allowances which could total \$469,100. Additionally, the County pays directly for the cost of its electrical consumption within the Premises.

The monthly rent under the lease will be a \$2.60 per square foot modified full service comprised of a Base Rent of \$1.90 per square foot which will be adjusted annually at a minimum of 2.5 percent to a maximum of 5 percent and an Operating Expense Rent of \$.70 per square foot which is adjusted annually not to exceed 5 percent of the estimated controllable operating expense costs.

The total estimated cost for the telephone, data, and low voltage systems is not to exceed \$400,000. The purchase includes a telephone system that is upgradeable to the current Voice over Internet Protocol (VoIP) and data network systems that are sufficiently robust to allow for future voice, data, and video convergence. Should the Landlord be able to provide the aforementioned work at a cost at or below the County's cost, the recommendation herein allows for the payment of these costs to the Landlord, or at the discretion of the CEO, all or part of these costs may be paid to the Landlord on a lump sum basis.

All tenant improvements, telecommunication/data and low voltage systems, and rent expenses will be paid from the Library's operating budget. In a forthcoming appropriation adjustment omnibus Board letter to be on your Board's agenda later this month, the CEO will be including an appropriation adjustment to transfer \$3,000,000 in available Fifth District Capital Projects net County cost funding from the Capital Project Budget (\$2.0 million from Castaic Library C.P. 69555, and \$1.0 million from Various Fifth District Improvements C.P. 77047) to the Library's operating budget. The \$3.0 million funding will be sufficient to fund the initial eight years of the ten-year lease. In the event funding is not identified for the final two years of the ten-year lease term, the County may cancel the lease, upon 365 days notice to the Landlord.

The projected operating costs for the first year will be \$1,146,000, which includes \$650,000 in one time costs for Books and Materials and Furniture Fixture and Equipment (FFE), and \$496,000 in ongoing costs for Staffing, Utilities and Maintenance. The operating costs will be entirely funded with Fifth District's existing Enhancement Services funding budgeted within Public Library's Operating Budget.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed lease provides 6,985 rentable square feet of library space and 30 off-street parking spaces. The lease contains the following provisions:

- The ten-year term of the lease begins upon completion of improvements by the Landlord and acceptance of the improvements by the County.
- A monthly base rent of \$18,160. A base TI allowance of \$10.00 per square foot or \$69,850 is included in the base rental rate.
- Additional TI and change order allowance totaling \$469,100 in reimbursable TI funds is available. Any amount utilized for TI will be paid back to the Landlord in a lump sum payment within 30 days of acceptance of the improvements by the County.

- The Landlord will provide 30 parking spaces included in the rental rate which are sufficient to meet the parking needs of the department and patrons.
- The lease is on a modified full-service basis whereby the Landlord will be responsible for all operating and maintenance costs. The County must pay for its metered electricity consumption, janitorial, and preventive monthly maintenance of the HVAC system commencing the third year and balance of the lease term for the Premises.
- A cancellation provision is provided in the lease which allows the County to cancel anytime after the 84<sup>th</sup> month with 365 days prior written notice.
- The County has two five-year options to renew the lease at 90 percent of market or prior month base rent.

CEO Real Estate staff surveyed Castaic, Val Verde, and the surrounding area to determine the market rate of comparable sites. Based upon said survey, staff has established that the base rental range including parking and TI for similar property is between \$36.00 and \$40.00 per square foot per year modified full-service. Thus, the base annual rent of \$31.20 per square foot for the base lease cost is at the lower end of the market rate for this area. Attachment B shows County-owned and leased facilities within the search area for these programs and none are available to house these programs.

The proposed lease was submitted for review to your Board's appointed Real Estate Management Commission on November 28, 2007. After careful review, the Commission approved the proposed lease. The Department of Public Works was not required to inspect this facility as it was built in 2006 and meets current standards for the County's occupancy.

### **NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT**

The CEO has made an initial study of environmental factors and has concluded that this Project will have no significant impact on the environment and no adverse effect on the wildlife resources. Accordingly, a Negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act (CEQA) and the California Administrative Code, Section 15072. Copies of the completed Study, the resulting Negative Declaration, and the Notice of Preparation of Negative Declaration as posted are attached. No comments to the Negative Declaration were received. A fee must be paid to the State Department of Fish and Game when certain notices are filed with the Registrar-Recorder/County Clerk. The County is exempt from paying this fee when your Board finds that a project will have no impact on wildlife resources.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will provide the necessary space to establish a library to serve this unincorporated area of the County. The Library concurs with this recommendation in accordance with your Board's policy on the housing of any County offices or activities.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors return four originals of the executed lease, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4<sup>th</sup> Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:DL:JSE  
CEM:TS:hd

Attachments (3)

c: County Counsel  
Auditor-Controller  
Public Library  
Internal Services Department

**PUBLIC LIBRARY  
27971 SLOAN CANYON ROAD, CASTAIC**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			<b>X</b>
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			<b>X</b>
	C	Does this lease centralize business support functions? <sup>2</sup>			<b>X</b>
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>This guideline is for office space use and a library requires large areas for public use and flow.</b>		<b>X</b>	
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost program? <b>100 percent net County cost</b>	<b>X</b>		
	B	Is this a long term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Attachment B?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <b>Construction of a new library in Castaic is not feasible at present time due to cost constraints.</b>		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?		<b>X</b>	
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?			<b>X</b>
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <b><u>X</u></b> No suitable County occupied properties in project area.			
		3. <b><u>X</u></b> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? <sup>2</sup> <b>No, County pays for its metered electricity consumption and janitorial for the Premises area.</b>		<b>X</b>	
	F	Has growth projection been considered in space request?			<b>X</b>
	G	Has the Dept. of Public Works completed seismic review/approval? <b>Building built in 2006, meets current standards.</b>		<b>X</b>	
		<sup>1</sup> As approved by the Board of Supervisors 11/17/98			
	<sup>2</sup> If not, why not?				

## Attachment B

**SPACE SEARCH – WITHIN AREA OF CASTAIC AND VAL VERDE  
27971 SLOAN CANYON ROAD, CASTAIC  
PUBLIC LIBRARY**

LACO	FACILITY NAME	ADDRESS	SQUARE FEET GROSS NET	OWNERSHIP	SQUARE FEET AVAILABLE
4050	CAMP SCOTT-ADMINISTRATION BUILDING	28700 N BOUQUET CANYON RD, SAUGUS 91350	3625	2053 OWNED	NONE
T514	CAMP SCOTT-OFFICE TRAILER	28700 N BOUQUET CANYON RD, SAUGUS 91350	1581	1290 OWNED	NONE
3909	CAMP SCUDDER-ADMINISTRATION BUILDING	28750 N BOUQUET CANYON RD, SAUGUS 91350	4343	2487 OWNED	NONE
0117	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	480	432 PERMIT	NONE
0119	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	192	173 PERMIT	NONE
A341	DPSS-SANTA CLARITA BRANCH / LANCASTER AP DIST	27233 CAMP PLENTY RD, SANTA CLARITA 91351	8400	5610 LEASED	NONE
A526	PUB LIB-CANYON COUNTRY JO ANNE DARCY LIBRARY	18601 SOLEDAD CANYON RD, SANTA CLARITA 91351	12500	11250 PERMIT	NONE
0090	PW ROAD-DIV #553 MAINTENANCE YARD OFFICE	17931 SIERRA HWY, SANTA CLARITA 91351	820	738 OWNED	NONE
6121	ANIMAL CONTROL #6-OFFICE	31044 N CHARLEY CANYON RD, CASTAIC 91384	1962	857 OWNED	NONE
4687	PW ROAD-DIV #556 MAINT YD OFFICE	27624 W PARKER RD, CASTAIC 91384	576	441 OWNED	NONE
D143	DCSS-SANTA CLARITA VALLEY SERVICE CENTER	24271 SAN FERNANDO RD, NEWHALL 91321	11400	9120 LEASED	NONE
				LEASED	NONE
4490	HART-PARK HEADQUARTERS BUILDING	24151 SAN FERNANDO RD, SANTA CLARITA 91321	1646	897 OWNED	NONE
4284	HART-PARK OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	662	464 OWNED	NONE
X151	HART-WEED CONTROL OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	608	540 OWNED	NONE
X210	PLACERITA CANYON-MAINTENANCE OFFICE & STORAGE	19152 PLACERITA CANYON RD, NEWHALL 91321	300	291 GROUND LEASE	NONE
T592	SANTA CLARITA SENIOR CENTER-ANNEX	22900 MARKET ST, SANTA CLARITA 91321	1440	1296 OWNED	NONE
T593	SANTA CLARITA SENIOR CENTER-OFFICES	22900 MARKET ST, SANTA CLARITA 91321	1440	1296 PERMIT	NONE
X298	SANTA CLARITA VALLEY SENIOR CENTER	22900 MARKET ST, SANTA CLARITA 91321	9240	7920 OWNED	NONE
F371	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	598	538 OWNED	NONE
F381	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	980	882 OWNED	NONE
3315	PCHS DT CTR-COUNSELING OFFICE	29310 THE OLD RD, CASTAIC 91384	480	414 OWNED	NONE
0478	PCHS DT CTR-FIELD OFFICE / STORAGE BUILDING	29310 THE OLD RD, CASTAIC 91384	1870	1637 OWNED	NONE
1042	PCHS DT CTR-FOREMAN'S OFFICE	29310 THE OLD RD, CASTAIC 91384	174	104 OWNED	NONE
0515	PCHS DT CTR-GUARD HOUSE OFFICE	29310 THE OLD RD, CASTAIC 91384	240	221 OWNED	NONE
0465	PCHS DT CTR-HONOR RANCHO ADMINISTRATION BLDG	29310 THE OLD RD, CASTAIC 91384	2171	1517 OWNED	NONE
1935	PCHS DT CTR-LIBRARY	29310 THE OLD RD, CASTAIC 91384	4477	3861 OWNED	NONE
2570	PCHS DT CTR-MASONRY OFFICE	29310 THE OLD RD, CASTAIC 91384	288	246 OWNED	NONE
4792	PCHS DT CTR-MEDIUM SECURITY ADMINISTRATION	29310 THE OLD RD, CASTAIC 91384	25726	16719 OWNED	NONE
1036	PCHS DT CTR-MOTOR POOL OFFICE	29310 THE OLD RD, CASTAIC 91384	397	262 OWNED	NONE
4504	PCHS DT CTR-NURSERY OFFICE	29310 THE OLD RD, CASTAIC 91384	1629	1230 OWNED	NONE
X127	PCHS DT CTR-RANGE MASTER'S OFFICE	29310 THE OLD RD, CASTAIC 91384	665	362 OWNED	NONE
1936	PCHS DT CTR-REHABILITATION OFFICE	29310 THE OLD RD, CASTAIC 91384	4477	3823 OWNED	NONE
2444	PCHS DT CTR-TRUCK SCALE BUILDING	29310 THE OLD RD, CASTAIC 91384	54	40 OWNED	NONE
3733	PCHS DT CTR-WASTE DISPOSAL PLANT OFFICE	29310 THE OLD RD, CASTAIC 91384	760	266 OWNED	NONE
4085	PUBLIC LIBRARY-NEWHALL LIBRARY	22704 W 9TH ST, SANTA CLARITA 91321	4842	3432 OWNED	NONE
F487	PW FLOOD-SANTA CLARA MAINTENANCE CREW OFFICE	21014 GOLDEN TRIANGLE RD, SANTA CLARITA 91351	125	112 OWNED	NONE
A920	BOARD OF SUP-5TH DISTRICT FIELD OFFICE	23920 W VALENCIA BLVD, SANTA CLARITA 91355	1224	1026 LEASED	NONE
A524	DCFS-REGION VIII SANTA CLARITA SERVICES	28490 AVE STANFORD, SANTA CLARITA 91355	32743	29469 LEASED	NONE
5541	PUBLIC LIBRARY-VALENCIA LIBRARY	23743 W VALENCIA BLVD, SANTA CLARITA 91355	24144	19245 OWNED	NONE
5542	SANTA CLARITA ADMINISTRATIVE CENTER BUILDING	23757 W VALENCIA BLVD, SANTA CLARITA 91355	22767	20427 OWNED	NONE
5543	SANTA CLARITA COURTHOUSE	23747 W VALENCIA BLVD, SANTA CLARITA 91355	32950	17979 OWNED	NONE



COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AGREEMENT

DEPARTMENT: Public Library, as Tenant

LANDLORD:

NNN Castaic Town Center, LLC, NNN Castaic Town Center 1, LLC, NNN Castaic Town Center 2, LLC, NNN Castaic Town Center 3, LLC, NNN Castaic Town Center 4, LLC, NNN Castaic Town Center 5, LLC, NNN Castaic Town Center 6, LLC, NNN Castaic Town Center 7, LLC, NNN Castaic Town Center 8, LLC, NNN Castaic Town Center 9, LLC, NNN Castaic Town Center 10, LLC, NNN Castaic Town Center 11, LLC, NNN Castaic Town Center 12, LLC, NNN Castaic Town Center 14, LLC, NNN Castaic Town Center 15, LLC, NNN Castaic Town Center 16, LLC, NNN Castaic Town Center 17, LLC, NNN Castaic Town Center 20, LLC, NNN Castaic Town Center 21, LLC, NNN Castaic Town Center 22, LLC, NNN Castaic Town Center 23, LLC, NNN Castaic Town Center 24, LLC, NNN Castaic Town Center 25, LLC, NNN Castaic Town Center 26, LLC, NNN Castaic Town Center 27, LLC, each one a Delaware limited liability company ("Landlord") acting by and through Triple Net Properties Realty, Inc. ("Agent" for Landlord)

27971 Sloan Canyon Road, Castaic, CA 91384

76453

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38	(o)	Arbitration.....	<u>27</u>

1	(p)	Limitation on Landlord's Liability .....	<u>27</u>
2	30.	AUTHORITY .....	<u>27</u>
3	31.	ACKNOWLEDGEMENT BY LANDLORD .....	<u>28</u>
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COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AGREEMENT

THIS LEASE AND AGREEMENT (this "Lease"), made and entered into in duplicate original as of the 15<sup>th</sup> day of January, 2007, by and between NNN Castaic Town Center, LLC, NNN Castaic Town Center 1, LLC, NNN Castaic Town Center 2, LLC, NNN Castaic Town Center 3, LLC, NNN Castaic Town Center 4, LLC, NNN Castaic Town Center 5, LLC, NNN Castaic Town Center 6, LLC, NNN Castaic Town Center 7, LLC, NNN Castaic Town Center 8, LLC, NNN Castaic Town Center 9, LLC, NNN Castaic Town Center 10, LLC, NNN Castaic Town Center 11, LLC, NNN Castaic Town Center 12, LLC, NNN Castaic Town Center 14, LLC, NNN Castaic Town Center 15, LLC, NNN Castaic Town Center 16, LLC, NNN Castaic Town Center 17, LLC, NNN Castaic Town Center 20, LLC, NNN Castaic Town Center 21, LLC, NNN Castaic Town Center 22, LLC, NNN Castaic Town Center 23, LLC, NNN Castaic Town Center 24, LLC, NNN Castaic Town Center 25, LLC, NNN Castaic Town Center 26, LLC, NNN Castaic Town Center 27, LLC, each one a Delaware limited liability company ("Landlord") acting by and through Triple Net Properties Realty, Inc. ("Agent" for Landlord)

and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION. The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

1.1 Defined Terms:

- |  |  |
|--|--|
| a) <u>Landlord's Address for Notice:</u> | c/o Triple Net Properties<br>Attn: Notice Department<br>1551 N. Tustin Avenue, Suite 200<br>Santa Ana, California 92705  |
| b) <u>Tenant's Address for Notice:</u>   | Board of Supervisors<br>Kenneth Hahn Hall of Administration<br>500 West Temple Street, Room 383<br>Los Angeles, California 90012   |
|  | With a copy to:<br>Chief Executive Office<br>Real Estate Division<br>222 South Hill Street, 3rd Floor<br>Los Angeles, California 90012<br>Attention: Director of Real Estate<br>Fax Number: (213) 217-4971 |

76453

- 1
- 2 c) Premises: Approximately 6,985 rentable square feet in the
- 3 Building (defined below) as shown on Exhibit A
- 4 attached hereto.
- 5 d) Building: The building located at 27971 Sloan Canyon Road,
- 6 Castaic, CA 91384, which is located upon the real
- 7 property described more particularly in Exhibit B
- 8 attached hereto (the "Property");
- 9 e) Term: Ten (10) years commencing thirty (30) days after
- 10 Tenant's Acceptance of the Premises as defined in
- 11 Section 4(a) (the "Commencement Date"); and
- 12 terminating at midnight on the day before the 11<sup>th</sup>
- 13 anniversary of the Commencement Date (the
- 14 "Termination Date"), subject to earlier termination by
- 15 Tenant as provided herein. The phrase "Term of this
- 16 Lease" or "the Term hereof" as used in this Lease, or
- 17 words of similar import, shall refer to the initial Term
- 18 of this Lease together with any additional Extension
- 19 Term for which an option has been validly exercised.
- 20 f) Projected Commencing Date: June 1, 2008
- 21
- 22 g) Commencement Date: to be determined in accordance with the terms
- 23 hereof
- 24
- 25 h) Irrevocable Offer Expiration Date: January 31, 2008
- 26
- 27 i) Rent:
- 28
- 29 1) Base Rent: \$1.90 Base Rent per rentable square foot (adjustable
- 30 as provided in Section 2(b) and Section 32 hereof).
- 31
- 32 2) Operating Expense Rent: \$.70 Operating Expense Rent per
- 33 rentable square foot (adjustable as provided in
- 34 Section 2(b) and Section 33 hereof)
- 35
- 36 j) Early Termination Date: Anytime after the Seventh Anniversary of the
- 37 Commencement Date with at least 12 months prior
- 38 written notice.
- 39
- 40 k) Rentable Square Feet in the Premises: 6,985
- 41
- 42

1 l) Use: Public Library and Community Rooms or for any other  
2 lawful purposes not incompatible with other uses in  
3 the Building, provided however, that landlord shall not  
4 permit other uses in the Building that are incompatible  
5 with the tenant's intended use of the Premises as a  
6 public library accessible to children.  
7

8 m) Initial Department Use: Public Library  
9

10 n) Parking spaces: 30 non reserved  
11

12 o) Normal Working Hours:  
13

14  
15 7:00 a.m. to 10:00 p.m., Monday through Saturday and  
16 7:00 a.m. to 6:00 p.m. Sunday, except New Year's Day,  
17 President's Day, Memorial Day, Independence Day,  
18 Labor Day, Thanksgiving Day, Christmas Day (on the  
19 days such holidays are generally observed) and such  
20 other holidays as are generally recognized by the County  
21 of Los Angeles, California. Unless otherwise stated  
22 herein, "days" means business days, and "business  
23 days" means all weekdays except for official County of  
24 Los Angeles holidays. Air conditioning services required  
25 at times other than Normal Working Hours shall be  
26 furnished upon reasonable advance notice and subject to  
27 reimbursement by Tenant to Landlord of the reasonable  
28 costs thereof. Information regarding the cost of providing  
29 air conditioning and other services after hours shall be  
30 made available to Tenant in advance and shall be based  
31 on Landlord's actual cost to provide such services.  
32

33 p) Asbestos Report: A report dated \_\_\_\_\_ prepared by \_\_\_\_\_  
34 \_\_\_\_\_, a licensed California asbestos contractor.  
35

## 36 1.2 Defined Terms Relating to Landlord's Work Letter 37

38 a) Base Tenant Improvement Allowance: \$10.00 per square foot  
39

40 b) Additional Tenant Improvement Allowance: \$60.00 per square foot  
41

42 c) Furniture Allowance: None  
43

44 d) Maximum Change Order Allowance: \$50,000  
45

46 e) Additional Tenant Improvement and



Change Order Amortization Rate: Not applicable

f) Basic Rent Reduction: intentionally omitted

g) Tenant's Work Letter

Representative: Thomas Shepos or a designated staff Representative from the Chief Executive Office – Real Estate Division

### h) Landlord's Work

Representative: Heidi Giron

i) Landlord's Address for

Work Letter Notice: 1551 N. Tustin Avenue, Suite 200  
Santa Ana, California 92705

j) Tenant's Address for

**Work Letter Notice:** Board of Supervisors  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 383  
Los Angeles, CA 90012

With a copy to:  
Chief Executive Office  
Real Estate Division  
222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, CA 90012  
Fax Number: (213) 217-4971

## 1.2 Exhibits to Lease:

Exhibit A - Floor Plan of Premises  
Exhibit B - Legal Description of Property  
Exhibit C - Commencement Date Memorandum  
and Confirmation of Lease Terms  
Exhibit D - HVAC Standards

### 1.3 Landlord's Work Letter:

(Executed concurrently with this Lease and made a part hereof by this reference)  
Addendum A: Base Building Improvements  
Addendum B: Tenant Improvements

1.4 Supplemental Lease Documents: (Delivered to Landlord and made a part hereof by this reference.)

Document I: Subordination, Non-disturbance  
And Adornment Agreement  
Document II: Tenant Estoppel Certificate  
Document III: Community Business

2. PREMISES

2.1 Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

a) The Premises is approximately 6,985 rentable square feet located in area between "The Karate Dojo" and "Los Rocas Grill".

2.2 Tenant shall have the right within ninety (90) days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/usable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI 265.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Basic Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no adjustment made to either the square footage or the Basic Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this subsection 2.2 Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect to which measurement is correct shall be final and binding upon the parties? Landlord and Tenant shall share equally in the fees of such firm.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building and the shopping center in which the Premises is located. Tenant shall comply with all reasonable, non-

discriminatory rules and regulations regarding the use of the Common Areas established by Landlord.

#### 4. COMMENCEMENT AND EXPIRATION DATES

a. Term. The term ("Term") of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. The Commencement Date shall begin thirty (30) days after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, and Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of modular furniture systems, if so required (except minor punch list items, which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent; (4) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and (5) if Landlord is responsible for the installation of telecommunication systems, then such systems shall be completely operational. Tenant shall not unreasonably withhold its Acceptance of the Premises.

b. Termination Right. If the Commencement Date has not occurred within one hundred twenty (120) days from the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter, which has been executed concurrently herewith, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective sixty (60) days after the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder. If Substantial Completion occurs prior to the effective date of Tenant's cancellation, then the Term of this Lease shall continue in accordance with the provisions of Section 4(a) above

1 c. Early Possession. Provided Tenant complies with Landlord's and  
2 Landlord's contractor's reasonable rules and regulations, and Tenant does  
3 not interfere with the Landlord's work, Tenant may have non-exclusive and  
4 reasonable access to the Premises not less than thirty (30) days prior to the  
5 Commencement Date solely for the purpose of installing Tenant's furniture,  
6 fixtures and equipment in the Premises. Such early occupancy shall be  
7 subject to all provisions hereof but shall not advance the Termination Date,  
8 and Tenant shall not pay Basic Rent for such early occupancy period  
9 (provided Tenant shall not commence business operations in the Premises  
10 during such early occupancy period).

11  
12 d. Early Termination. Tenant shall have the right to terminate this Lease at  
13 any time after the Early Termination Date, as defined in Section 1, by  
14 giving Landlord not less than twelve (12) months prior written notice  
15 executed by the Chief Executive Officer of Tenant. In the event Tenant  
16 elects to terminate this Lease pursuant to this Section 4(d), Tenant shall  
17 reimburse to Landlord in lump sum no later than thirty (30) days after the  
18 Termination date the principal amount of the Additional Tenant  
19 Improvement Allowance and the Maximum Change Order Allowance (to  
20 the extent utilized) and remaining unpaid to landlord as of the date of  
21 termination of this Lease.

22  
23 e. Options to Extend.

24 (i) Landlord hereby grants to Tenant two (2) options (each an  
25 "Option") to extend the Term of this Lease for two additional periods of  
26 sixty (60) months (each an "Option Term"). An Option must be exercised,  
27 if at all, by written notice ("Option Notice") delivered by Tenant to Landlord  
28 not later than one hundred eighty (180) days prior to the end of the initial  
29 Term of this Lease, or the first Option Term, as applicable. Further, an  
30 Option shall not be deemed to be properly exercised if, as of the date of  
31 the Option Notice, or at the end of the initial Term of this Lease or the end  
32 of the first Option Term, as applicable, Tenant (A) is in material default  
33 under this Lease, or (B) has assigned all or any portion of this Lease or its  
34 interest therein, or has sublet all or any portion of the Premises in violation  
35 of the Lease. Provided Tenant has properly and timely exercised an  
36 Option, the then current term of the Lease shall be extended by the Option  
37 Term, and all terms, covenants and conditions of the Lease shall remain  
38 unmodified and in full force and effect, except that (1) Landlord shall have  
39 no obligation to make any tenant improvements or provide any allowance  
40 therefor, and (2) the Basic Rent shall be modified as set forth in sections  
41 (ii), (iii) and (iv) below.

42 (ii) The Basic Rent payable for the first year of an Option Term  
43 shall be equal to the greater of (A) ninety percent (90%) of the then  
44 prevailing fair market rental value of the Premises as determined herein,  
45 or (B) the Basic Rent payable by Tenant to Landlord during the final month

1 of the initial Term of this Lease, or the first Option Term, as applicable.  
2 The monthly Basic Rent for an Option Period shall be adjusted as  
3 provided in Section 4(e)(v) below . If Landlord determines that the Basic  
4 Rent for an Option Term shall be based upon the calculation described in  
5 clause (B) above, such determination shall be conclusive, Tenant shall  
6 have no right to object thereto, and the following provisions regarding the  
7 determination of fair market rental value shall not apply. If Landlord  
8 determines that the Basic Rent for an Option Term shall be ninety percent  
9 (90%) of the fair market rental value of the Premises pursuant to  
10 clause (A) above, Landlord shall determine fair market rental value by  
11 using commercially reasonable good faith judgment. As used herein, "fair  
12 market rental value" shall mean the annual amount per rentable square  
13 foot then being charged or projected to be charged for similarly improved  
14 office space in comparable buildings (age, design, quality and relative  
15 location in the vicinity in which the building is situated) located within a 5-  
16 mile radius of the Premises, on leases for delivery on or about the  
17 applicable delivery or effective date of the Option Term, taking into  
18 consideration annual rental rates per rentable square foot, age and  
19 condition of building, the type of escalation clauses, tenant improvements  
20 or allowances provided or to be provided for such comparable space,  
21 rental abatement concessions, if any, the length of the relevant term the  
22 extent of which the fair market rental value is to become effective, and any  
23 other relevant terms or conditions. It shall be understood, however, no  
24 reduction or increase in rent shall be granted for the presence or absence  
25 of a brokerage commission. Landlord shall provide written notice of such  
26 amount not later than one hundred twenty (120) days prior to the  
27 expiration of the then current term. Tenant shall have thirty (30) days  
28 ("Tenant's Review Period") after receipt of Landlord's notice of the fair  
29 market rental value within which to accept such fair market rental value or  
30 to reasonably object thereto in writing. In the event Tenant objects to the  
31 fair market rental value submitted by Landlord, Landlord and Tenant shall  
32 attempt in good faith to agree upon such fair market rental value, using  
33 their best good faith efforts. If Landlord and Tenant fail to reach  
34 agreement on such fair market rental value within thirty (30) days following  
35 Tenant's Review Period (the "Outside Agreement Date"), then each  
36 party's determination of fair market rental value shall be submitted to  
37 arbitration in accordance with section (iii) below.

38 (iii) (1) Landlord and Tenant shall each appoint one arbitrator who  
39 shall by profession be a real estate broker who shall have been active  
40 over the five (5) year period ending on the date of such appointment in the  
41 leasing of commercial properties in the area in which the Building is  
42 located or an individual who shall be designated as a Member, Appraisal  
43 Institute of Real Estate Appraisers (MAI) or a member of the Society of  
44 Real Estate Appraisers (SREA) and who shall have been active over the  
45 five (5) year period ending on the date of such appointment in the  
46 appraisal of commercial properties located in Los Angeles County. The

1 determination of the arbitrators shall be limited solely to the issue of  
2 whether Landlord's or Tenant's submitted fair market rental value for the  
3 Premises is closer to the actual fair market rental value for the Premises  
4 as determined by the arbitrators, taking into account the requirements of  
5 section 4(e)(ii) above and this section regarding the same. Each such  
6 arbitrator shall be appointed within fifteen (15) days after the Outside  
7 Agreement Date.

8 (2) The two arbitrators so appointed shall, within fifteen (15)  
9 days of the date of the appointment of the last appointed arbitrator, agree  
10 upon and appoint a third arbitrator who shall be qualified under the same  
11 criteria set forth hereinabove for qualification of the initial two arbitrators.

12 (3) The three arbitrators shall within thirty (30) days of the  
13 appointment of the third arbitrator reach a decision as to whether the  
14 parties shall use Landlord's or Tenant's submitted fair market rental value,  
15 and shall notify Landlord and Tenant thereof. Such decision shall be  
16 based upon the factors described in section 4(e) (ii) above.

17 (4) The decision of the majority of the three arbitrators shall  
18 be binding upon Landlord and Tenant.

19 (5) If either Landlord or Tenant fails to appoint an arbitrator  
20 within the time period specified in section 4(e)(iii)(1) hereinabove, the  
21 arbitrator appointed by one of them shall reach a decision, notify Landlord  
22 and Tenant thereof, and such arbitrator's decision shall be binding upon  
23 Landlord and Tenant.

24 (6) If the two arbitrators fail to agree upon and appoint a  
25 third arbitrator both arbitrators shall be dismissed and the matter to be  
26 decided shall be forthwith submitted to arbitration under the provisions of  
27 the American Arbitration Association.

28 (7) The cost of arbitration shall be paid by Landlord and  
29 Tenant equally.

30 (iv) Notwithstanding the fair market rental value for the Premises  
31 selected by the arbitrators, in no event shall the Basic Rent for an Option  
32 Term be less than the Basic Rent payable by Tenant during the final year  
33 of the term of this Lease immediately prior to the subject Option Term.

34 (v) Basic Rent shall be adjusted on the first day of the first full  
35 month following the first anniversary of the Option Commencement Date  
36 (which shall mean the first day of the applicable Option Term) and  
37 thereafter, for each year remaining of the applicable Option Term, on the  
38 anniversary of such day (the "Adjustment Date"), as follows:

39 The base for computing the adjustment is the Consumer Price Index for  
40 All Urban Consumers, Los Angeles-Riverside-Orange County areas, all  
41 items (1982-84 = 100), published by the United States Department of  
42 Labor (the "Index"), which is published for the month which is three (3)  
43 months prior to the applicable Option Commencement Date (the

1 "Reference Index"). The Index published for the month which is three (3)  
2 months prior to the applicable Adjustment Date (the "Comparison Index")  
3 shall be used for determining the increase in Basic Rent on such  
4 Adjustment Date.

5 If on any Adjustment Date the Comparison Index is greater than the Reference  
6 Index, then the Basic Rent for the following twelve (12) month period shall be the  
7 amount determined by multiplying the Basic Rent payable for the first full month of  
8 the applicable Option Term by a fraction, the numerator of which is the  
9 Comparison Index and the denominator of which is the Reference Index. Landlord  
10 and Tenant hereby acknowledge and agree that, the foregoing notwithstanding,  
11 Basic Rent shall be increased on each and every Adjustment Date by no less than  
12 two point five percent (2.5%) but no more than five percent (5%) above the Basic  
13 Rent in effect immediately prior to such Adjustment Date.

14  
15 5. RENT

16  
17 Tenant shall pay Landlord the Basic Rent stated in Section 1 and the Additional  
18 Rent set forth in Section 34 below during the Term hereof, provided Landlord files  
19 a payment voucher therefore prior to the Commencement Date and thereafter  
20 annually during the month of June with the Auditor of the County of Los Angeles  
21 (the "County"). The term "Rent" shall mean the Basic Rent, Additional Rent, and  
22 all other charges and fees payable by Tenant under this Lease. Rent for any  
23 partial month shall be prorated in proportion to the number of days in such month.

24  
25 6. USES

26  
27 The Premises are to be used only for the uses set forth in Section 1 and for no  
28 other business or purpose; however, Landlord shall not unreasonably withhold its  
29 consent to a change of use.

30  
31 7. HOLDOVER

32  
33 If Tenant remains in possession of the Premises or any part thereof after the  
34 expiration of the Term of this Lease (provided with the express or implied consent  
35 of Landlord), such occupancy shall be a tenancy on a month-to-month basis only,  
36 subject to the terms, covenants and conditions of this Lease, but shall not be a  
37 renewal hereof, and the Rent shall be at the rate then-payable under this Lease.  
38 Either party may, during the holdover, cancel this Lease by giving the other party  
39 not less than sixty (60) days prior written notice; provided, however, that in the  
40 event the notice of the Tenant's intent to exercise an option to renew this Lease has  
41 been given and when applicable, negotiations are proceeding in good faith to renew  
42 the Lease, but have not been completed prior to the expiration of the then-current  
43 holdover term, the tenancy shall be on a quarterly basis and this Lease may be  
44 canceled by either party upon not less than ninety (90) days prior written notice to  
45 the other party.  
46

1 8. COMPLIANCE WITH THE LAW

2  
3 Tenant shall, at Tenant's expense, comply promptly with all applicable statutes,  
4 ordinances, rules, regulations, orders and requirements in effect during the Term  
5 hereof, regulating the use, occupancy or improvement of the Premises by Tenant.  
6 Landlord, not Tenant, shall, at all times cause the Building to comply with all  
7 applicable statutes, ordinances, rules, regulations, orders and requirements in  
8 effect and binding upon Tenant or Landlord during the Term hereof, including  
9 without limitation, the Americans with Disabilities Act, except to the extent such  
10 compliance is made necessary as a result of Tenant's particular use of or  
11 alterations or improvements to the Premises.  
12

13 9. DAMAGE OR DESTRUCTION

14  
15 a. Damage. In the event any portion of the Premises is damaged by fire or  
16 any other cause rendering the Premises totally or partially inaccessible or  
17 unusable and the Premises may be restored to a complete architectural unit  
18 of the same value, condition and character that existed immediately prior to  
19 such casualty in less than two hundred seventy (270) days, then Landlord  
20 shall promptly cause the repair of such damage and this Lease shall  
21 continue in full force and effect. If all or any portion of the Premises shall be  
22 made untenable by fire or other casualty, Landlord shall immediately  
23 secure the area to prevent injury to persons and/or vandalism to the  
24 improvements. Landlord shall promptly, but in any event within fifteen (15)  
25 days, cause an architect or general contractor selected by Landlord to  
26 provide Landlord and Tenant with a written estimate of the amount of time  
27 required to substantially complete the repair and restoration of the Premises  
28 and make the Premises tenantable again using standard working methods.  
29 Basic Rent shall abate to the extent that the Premises are unusable by  
30 Tenant. Tenant shall not be entitled to an abatement of Basic Rent when the  
31 damage to the Premises is the result of negligence or intentional act of  
32 Tenant's employees, invitees, contractors or agents. Tenant waives the  
33 provisions of California Civil Code Sections 1932(2) and 1933(4) with  
34 respect to any partial or total destruction of the Premises.  
35

36 b. Tenant Termination Right. In the event any portion of the Premises is  
37 damaged by fire or any other cause rendering the Premises totally or  
38 partially (which shall mean at least 10% of the rentable area of the  
39 Premises) inaccessible or unusable and the Premises will not be restored to  
40 a complete architectural unit of the same value, condition and character that  
41 existed immediately prior to such casualty in less than two hundred seventy  
42 (270) days for any reason (as reasonably determined by Landlord), then  
43 Tenant may terminate this Lease by giving written notice within ten (10)  
44 days after notice from Landlord specifying such time period of repair; and  
45 this Lease shall terminate and the Basic Rent shall be abated from the date  
46 the Premises became untenable. Tenant shall not be entitled to a



1 termination right when the damage to the Premises is the result of  
2 negligence or intentional act of Tenant's employees, invitees, contractors or  
3 agents. In the event that Tenant does not elect to terminate this Lease,  
4 Landlord shall promptly commence and diligently prosecute to completion  
5 the repairs to the Building or Premises.  
6

7 c. Damage in Last Year. Notwithstanding the foregoing provisions, if any  
8 material destruction to the Premises occurs during the last year of the Term,  
9 then either Landlord or Tenant may terminate this Lease by giving notice to  
10 the other not more than thirty (30) days after such destruction, in which case  
11 (i) Landlord shall have no obligation to restore the Premises, (ii) Landlord  
12 may retain all insurance proceeds relating to such destruction, from policies  
13 purchased by Landlord, and (iii) this Lease shall terminate as of the date  
14 which is thirty (30) days after such written notice of termination.  
15

16 d. Default By Landlord. If Landlord is required to repair and restore the  
17 Premises as provided for in this Section and Landlord should fail to  
18 thereafter pursue said repair and restoration work with reasonable diligence  
19 to completion, Tenant may give Landlord fifteen (15) business days prior  
20 written notice and thereafter perform or cause to be performed the  
21 restoration work and deduct the cost thereof from the Basic Rent next due  
22 as a charge against the Landlord. Tenant shall not be entitled to an  
23 abatement of Basic Rent when the damage to the Premises is the result of  
24 negligence or intentional act of Tenant's employees, invitees, contractors or  
25 agents.  
26

## 27 10. REPAIRS AND MAINTENANCE

28

29 a. Landlord Representations. Landlord represents to Tenant that, as of the  
30 date of this Lease, (i) the Premises, the Building and all Common Areas  
31 (including electrical, heating, ventilating and air conditioning ("HVAC"),  
32 mechanical, plumbing, gas and fire/life safety systems in the Building and  
33 similar building service systems) comply with all applicable current laws,  
34 codes, and ordinances, including the Americans With Disabilities Act, and  
35 are in reasonable good working order and condition; (ii) the Building and  
36 Premises comply with all applicable covenants, conditions, restrictions and,  
37 to Landlord's actual knowledge, underwriter's requirements; (iii) the  
38 Premises, Building and Common Areas are free of the presence of any  
39 Hazardous Materials (as hereinafter defined) in unlawful quantities; and (iv)  
40 Landlord has not received any notice from any governmental agency that  
41 the Building or the Premises are in violation of any applicable law or  
42 regulation. Landlord represents, based upon its current actual knowledge or  
43 a reasonable inspection of the Premises and the Building and the Asbestos  
44 Report that the Premises and the Building contain no asbestos containing  
45 materials (other than as may be reflected in the Asbestos Report). Landlord  
46 shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and

1 expense, all asbestos containing materials to the extent required by law and  
2 provide Tenant with an updated report from a licensed California Asbestos  
3 contractor to that effect.  
4

- 5 b. Landlord Obligations. Landlord shall keep and maintain in good repair and  
6 working order and promptly make repairs to and perform maintenance upon  
7 and replace as needed: (i) the structural elements of the Building, including,  
8 without limitation, all permanent exterior and interior walls, floors and  
9 ceilings, roof, concealed plumbing, stairways, concealed electrical systems  
10 and telephone intra-building network cable; (ii) mechanical, electrical,  
11 plumbing and fire/life safety systems serving the Premises, (iii) the Common  
12 Areas; (iv) exterior windows of the Building; and (v) elevators serving the  
13 Building. Landlord, at its sole cost and expense, shall also perform all  
14 maintenance and repairs to the Premises, and shall keep the Premises in  
15 good condition and repair, reasonable wear and tear excepted. Landlord's  
16 repair obligations include, without limitation, repairs to: (A) the floor  
17 covering; (B) interior partitions; (C) doors; (D) the interior side of demising  
18 walls; (E) plumbing and (F) signage. All repairs and replacements shall be  
19 at least equal in quality, value and utility to the original work or installation,  
20 and be in accordance with all laws. If the repair is due to the negligence or  
21 willful misconduct of Tenant's agents, contractors, employees or invitees,  
22 then Tenant shall reimburse Landlord for the actual cost of such repairs.  
23 Without limiting the foregoing, Tenant shall, at Tenant's sole expense, be  
24 responsible for the cost of repairing any area damaged by Tenant or  
25 Tenant's agents, employees, invitees and visitors and the repair of low  
26 voltage electronic, phone and data cabling and related equipment that is  
27 installed by or for the exclusive benefit of Tenant.  
28

29 During the initial 24 month term of the Lease, the Landlord shall keep and  
30 maintain the HVAC system in good repair and working order, including  
31 monthly maintenance and promptly make repairs to and perform  
32 maintenance upon the HVAC system. Additionally the Landlord shall be  
33 responsible to repair and/or replace as needed the HVAC system  
34 throughout the full 10 year term: During the third year of the Lease and  
35 through the balance of the Lease Term, the Tenant shall perform preventive  
36 monthly maintenance only (filters, lubrication and cleaning) to the HVAC  
37 system.  
38

- 39 c. Tenant's Right to Repair. If Tenant provides written notice (or oral notice in  
40 the event of an emergency such as damage or destruction to or of any  
41 portion of the Building structure and/or the Building systems and/or anything  
42 that could cause material disruption to Tenant's business) to Landlord of an  
43 event or circumstance that requires the action of Landlord with respect to  
44 repair and/or maintenance, and Landlord fails to provide such action within  
45 a reasonable period of time, given the circumstances, after the giving of  
46 such notice, but in any event not later than five (5) days after the giving of

1 such notice, then Tenant may proceed to take the required action (provided,  
2 however, that no such notice shall be required in the event of an emergency  
3 that threatens life or where there is imminent danger to property or a  
4 possibility that a failure to take immediate action could cause a material  
5 disruption in Tenant's normal and customary business activities). Tenant  
6 shall have reasonable access to the Building to the extent necessary to  
7 perform the work contemplated by this provision. If such action was  
8 required under the terms of this Lease to have been taken by Landlord and  
9 was not taken by Landlord within such period (unless such notice was not  
10 required as provided above), and Tenant took such required action, then  
11 Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's  
12 reasonable costs and expenses in having taken such action. If not  
13 reimbursed by Landlord within ten (10) days after Landlord's receipt of such  
14 request and copies of paid invoices therefore, Tenant shall be entitled to  
15 deduct from Basic Rent payable by Tenant under this Lease the amount set  
16 forth in such invoice for such work. The remedies provided in this Section  
17 are in addition to the remedies provided in Section 14.  
18  
19

## 20 11. SERVICES AND UTILITIES

21  
22 Landlord shall furnish the following services and utilities to the Premises:  
23

- 24 a. HVAC. Landlord shall furnish HVAC during Normal Working Hours in  
25 amounts required for the use and occupancy of the Premises for normal  
26 library purposes to a standard comparable to other first-class buildings of like  
27 use and not less than the standard set forth in Exhibit D attached hereto.  
28
- 29 b. Electricity. Landlord shall furnish to the Premises such amount of electric  
30 current provided for in the Working Drawings for power and lighting and  
31 electric current for HVAC, and Landlord shall provide the existing or new  
32 transformers or sub panels on each floor of the Premises necessary for  
33 Tenant to utilize such capacity in the Premises.  
34
- 35 c. Elevators. Landlord shall furnish freight and passenger elevator services to  
36 the Premises during Normal Working Hours. During all other hours, Landlord  
37 shall furnish passenger elevator cab service in the elevator bank serving the  
38 Premises on an as needed basis, and, by prior arrangement with Landlord's  
39 building manager, freight elevator service.  
40
- 41 d. Water. Landlord shall make available water for normal lavatory and potable  
42 water meeting all applicable governmental standards for drinking purposes in  
43 the Premises.  
44
- 45 e. Janitorial. Landlord shall provide Common Area maintenance within the  
46 shopping center in which the Premises is located generally consistent with

1 that furnished in comparable shopping centers in the County of Los Angeles,  
2 but the Tenant shall be responsible for its own janitorial services within the  
3 Premises it occupies.  
4

5 f. Access. Landlord shall furnish to Tenant's employees and agents access to  
6 the Building, Premises and Common Areas on a seven (7) day per week,  
7 twenty-four (24) hour per day basis, subject to compliance with such  
8 reasonable security measures as shall from time to time be in effect for the  
9 Building.  
10

11 g. Premises Utilities. Notwithstanding anything to the contrary set forth in this  
12 Lease, Tenant shall pay for all separately metered electrical utilities servicing  
13 the Premises directly.  
14

15 12. LANDLORD ACCESS.  
16

17 Tenant shall permit Landlord and its agents to enter the Premises upon prior  
18 written notice for the purpose of inspecting the Premises for any reasonable  
19 purpose. Landlord shall have the right at any and all times to enter the Premises in  
20 the event of an emergency.  
21

22 13. TENANT DEFAULT  
23

24 a. Default. The occurrence of any one or more of the following events (a  
25 "Default") shall constitute a material default and breach of this Lease by  
26 Tenant:  
27

28 i. the failure by Tenant to make any payment of Rent or any other  
29 payment required to be made by Tenant hereunder (except to the  
30 extent an offset is expressly permitted hereunder), as and when due  
31 and if the failure continues for a period of ten (10) days after written  
32 notice to Tenant; or  
33

34 ii. the failure by Tenant to observe or perform any of the other covenants,  
35 conditions or provisions of this Lease, where such failure shall continue  
36 for a period of thirty (30) days after written notice from Landlord  
37 specifying in detail the nature of the default; provided, however, if more  
38 than thirty (30) days are reasonably required for its cure then Tenant  
39 shall not be deemed to be in default if Tenant commences such cure  
40 within said 30-day period and thereafter diligently prosecutes such cure  
41 to completion.  
42

43 b. Termination: Tenant agrees that if a Default should occur and should not be  
44 cured within the time periods set forth above, it shall be lawful for Landlord to  
45 terminate this Lease upon the giving of written notice to Tenant. In addition

thereto, Landlord shall have such other rights or remedies as may be provided by law.

No Effect on Indemnity: Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

#### 14. LANDLORD DEFAULT

- a. Remedies: In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c), 19 and 20(b), which are not modified hereby, Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty (30) days after receipt of written notice with respect thereto from Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)); provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30)-day period, Landlord shall not be deemed to be in default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the default by Landlord ("Landlord Default") is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies: (i) to remedy such default or breach and deduct the costs thereof (including, but not limited to, attorneys' fees) from the installments of Basic Rent next falling due; (ii) to pursue the remedy of specific performance; or (iii) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Basic Rent next coming due
- b. Waiver: Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.
- c. Emergency: Notwithstanding the foregoing cure period, Tenant may cure any Landlord Default without notice where the failure promptly to cure such Landlord Default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.

1 15. ASSIGNMENT AND SUBLETTING

2  
3 Tenant, after obtaining Landlord's prior written consent, may assign this Lease or  
4 sublet the whole or any part of the Premises so long as the intended use is in  
5 compliance with the provisions and restrictions set forth in this Lease and upon the  
6 condition that the assignee or subtenant expressly assumes and agrees in writing  
7 to pay the Rent and to perform each and every covenant and agreement in this  
8 Lease required by Tenant to be paid or performed. Tenant shall notify Landlord of  
9 any change in tenancy. Landlord shall not unreasonably withhold its consent.  
10 Consent shall be given or denied within thirty (30) days after Landlord's receipt of  
11 Tenant's written request. Should Landlord fail to respond within such thirty (30)-  
12 day period, Tenant's request shall be deemed approved. No assignment,  
13 subletting or other transfer shall relieve Tenant of any liability under this Lease  
14 unless Landlord has given its written consent thereto, which Landlord shall not  
15 unreasonably withhold if the assignee has a financial condition that is reasonably  
16 sufficient for it to be responsible for all future obligations under this Lease.  
17

18 16. ALTERATIONS AND ADDITIONS

19  
20 a. Landlord Consent. Tenant shall not make any structural alterations,  
21 improvements, additions, or utility installations in or about the Premises  
22 (collectively, "Alterations") without first obtaining the written consent of  
23 Landlord, which consent shall not be unreasonably withheld, conditioned or  
24 delayed. However, Landlord's consent shall not be required for any Alteration  
25 that satisfies all of the following criteria: (i) complies with all Laws; (ii) is not  
26 visible from the exterior of the Premises or Building; (iii) will not materially  
27 affect the systems or structure of the Building; and (iv) does not unreasonably  
28 interfere with the normal and customary business office operations of other  
29 tenants in the Building. If Landlord fails to respond in writing within thirty (30)  
30 days of such request, Landlord shall be deemed to have approved the  
31 Alterations.  
32

33 b. End of Term. Any Alterations not removed by Tenant shall become the  
34 property of Landlord and remain upon and be surrendered with the Premises  
35 at the expiration of the Term.  
36

37 17. CONDEMNATION

38  
39 a. Controlling Terms. If during the Term, or during the period of time between  
40 the execution of this Lease and the Commencement Date, there is any  
41 taking of all or any part of the Premises or any interest in this Lease by  
42 Condemnation (as defined below), this Section shall determine the rights and  
43 obligations of Tenant and Landlord. "Condemnation" shall mean the  
44 exercise of any governmental power to take title to any portion of the  
45 Premises, whether by legal proceedings or otherwise, by a Condemner (as  
46 defined below) or a voluntary sale or transfer by Landlord to any Condemner,

1 either under threat of a Condemner's exercise of such power or while legal  
2 proceedings are pending for the exercise of such power. "Condemner" shall  
3 mean any public or quasi-public authority, or private corporation or individual,  
4 having the power of Condemnation.  
5

6 b. Total Taking. If the Premises are totally taken by Condemnation, this Lease  
7 shall terminate on the date the Condemner has a right to possession of the  
8 Premises (the "Date of Taking").  
9

10 c. Partial Taking. If any portion, but not all, of the Premises is taken by  
11 Condemnation, this Lease shall remain in effect, except that Tenant may  
12 elect to terminate this Lease if, in Tenant's reasonable judgment, the  
13 remaining portion of the Premises (including the space available for parking)  
14 is rendered unsuitable for Tenant's continued use of the Premises. If Tenant  
15 elects to so terminate this Lease, Tenant must exercise its right to terminate  
16 by giving notice to Landlord within thirty (30) days after the date that the  
17 nature and the extent of the Condemnation have been determined (the  
18 "Determination Date"), which notice shall set forth the date of termination.  
19 Such termination date shall not be earlier than thirty (30) days nor later than  
20 ninety (90) days after Tenant has notified Landlord of its election to  
21 terminate; except that this Lease shall terminate on the Date of Taking if the  
22 Date of Taking falls on a date before the date of termination as designated  
23 by Tenant. If Tenant does not so notify Landlord within thirty (30) days after  
24 the Determination Date, all obligations of Tenant under this Lease shall  
25 remain in effect, except that Basic Rent shall be equitably abated.  
26

27 d. Restoration. Notwithstanding the preceding paragraph, if, within thirty (30)  
28 days after the Determination Date, Landlord notifies Tenant that Landlord at  
29 its cost will add to the remaining Premises so that the area of the Premises  
30 and the space available for parking, will be substantially the same after the  
31 Date of Taking as they were before the Date of Taking, and Landlord  
32 commences the restoration promptly and, subject to reasonable allowance  
33 for delays that are not caused by Landlord, completes it within ninety (90)  
34 days after Landlord so notifies Tenant, this Lease shall continue in effect. All  
35 obligations of Tenant under this Lease shall remain in effect, except that  
36 Basic Rent shall be equitably abated or reduced during the period from the  
37 Date of Taking until the completion of such restoration  
38

39 e. The Award. The Award (as defined below) shall be divided between  
40 Landlord and Tenant as their respective interests may appear. "Award" shall  
41 mean all compensation, sums or anything of value awarded, paid or received  
42 on a total or partial Condemnation of the Premises.  
43

44 f. Waiver of Statute. Landlord and Tenant hereby waive the provision of  
45 California Code of Civil Procedure Section 1265.130 allowing Landlord or

Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

18. INDEMNIFICATION

- a. Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act or omission or willful misconduct of Tenant or its employees or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.
- b. Landlord's Indemnity. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19. INSURANCE

- a. Landlord's Insurance. During the term of this Lease, Landlord shall maintain the following insurance:
- i. Commercial property insurance, which shall (A) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and (B) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value. Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration of the Premises.



1           ii. Commercial general liability insurance (written on ISO policy form  
2           CG 00 01 or its equivalent) with limits of not less than the following:  
3           (A) Per occurrence and general aggregate amount of \$5,000,000;  
4           (B) products/completed operations aggregate of \$2,000,000; and  
5           (C) personal and advertising injury of \$2,000,000.

6           iii. Failure by Landlord to maintain the insurance required by this Section and  
7           deliver evidence thereof as required by this Lease or to use any insurance  
8           proceeds to timely repair and restore the Premises shall constitute a  
9           material breach of this Lease after thirty (30) days written notice.  
10

11       b. Insurance Requirements. All insurance policies required to be maintained by  
12       Landlord under this Lease shall be issued by insurance companies which  
13       have a Best's Rating of "AVII" or better and which are qualified to do business  
14       in the State of California. All liability and property damage and other casualty  
15       policies of Tenant shall be written as primary policies, not contributing with,  
16       and not in excess of coverage which Landlord may carry.  
17

18       c. Certificates. Landlord shall deliver to Tenant on the Commencement Date of  
19       this Lease and thereafter prior to expiration of any insurance required to be  
20       carried hereunder, certificates of insurance evidencing this coverage with  
21       limits not less than those specified above. Certificates must document that  
22       each party has named the other as an additional insured (or its equivalent) on  
23       its general liability and property insurance policy, and that Tenant has been  
24       named a loss payee on Landlord's commercial property insurance policy, as  
25       required. Further, all certificates shall expressly provide that no less than  
26       sixty (60) days' prior written notice shall be given to Tenant in the event of  
27       material change to, expiration or cancellation of the coverages or policies  
28       evidenced by the certificates.  
29

30       d. Waiver of Subrogation. Landlord and Tenant each hereby waive their rights  
31       of subrogation against one another to the extent it is covered by the property  
32       insurance policies required to be carried hereunder. Landlord shall cause its  
33       insurance carriers to consent to the foregoing waiver of rights of subrogation  
34       against Tenant.  
35

36   20. PARKING.  
37

38       a. Tenant's Rights. Tenant shall have the right to the number of parking stalls  
39       set forth in Section 1 for the Term of this Lease. Tenant shall be entitled to  
40       full in/out privileges. Tenant's parking rights shall be subject to reasonable  
41       parking rules and regulations adopted by Landlord from time to time, provided  
42       that such procedures shall be uniformly applied to all tenants. Tenant  
43       acknowledges that all other parking spaces are not for the exclusive use of  
44       Tenant, rather, all such parking spaces are to be used on a non-exclusive,

1 first-come, first-served basis by Tenant and other tenants, occupants,  
2 licensees, invitees and permittees of the Building.

- 3  
4 b. Remedies. Landlord acknowledges that it is a material term of this Lease that  
5 Tenant receive all of the Parking Spaces to which it is entitled under this  
6 Lease for the entire Term of this Lease and that it would be impracticable and  
7 extremely difficult to fix the actual damages for a breach of such provisions. It  
8 is therefore agreed that if, for any reason whatsoever, thirty (30) of the  
9 Parking Spaces required above are not available to Tenant, (in addition to the  
10 rights given to Tenant under Section 14 and Sections 9 and 17 in the event of  
11 casualty or condemnation), Tenant may (i) terminate this Lease by giving  
12 written notice of such termination to Landlord, which notice shall be effective  
13 thirty (30) days thereafter or (ii) deduct from the Basic Rent hereunder an  
14 amount each month equal to \$75.00 per parking space not so provided.  
15 Tenant and its invitees shall not use more parking privileges than its  
16 allotment, except during special meetings or events. During such occurrences  
17 tenant shall notify property manager in advance of its use of parking spaces  
18 other than those allocated. Except as previously stated Tenant shall not use  
19 any parking spaces and/or parking area specifically allocated by Landlord to  
20 other tenants of the project or for such other uses as visitor parking. Tenant  
21 shall not permit or allow any vehicles that belong to or are controlled by  
22 Tenant or Tenant's employees, customers or invitees to be loaded, unloaded  
23 or parked in areas other than the Tenant's designated parking areas.

24  
25  
26 21. ENVIRONMENTAL MATTERS

- 27  
28 a. Hazardous Materials. Tenant shall not cause nor permit, nor allow any of  
29 Tenant's employees, agents, customers, visitors, invitees, licensees,  
30 contractors, assignees or subtenants to cause or permit any Hazardous  
31 Materials to be brought upon, stored, manufactured, generated, blended,  
32 handled, recycled, treated, disposed or used on, under or about the  
33 Premises, the Building or the Common Areas, except for routine office and  
34 janitorial supplies in usual and customary quantities stored, used and  
35 disposed of in accordance with all applicable Environmental Laws. As used  
36 herein, "Hazardous Materials" means any chemical, substance, material,  
37 controlled substance, object, condition, waste, living organism or combination  
38 thereof, whether solid, semi solid, liquid or gaseous, which is or may be  
39 hazardous to human health or safety or to the environment due to its  
40 radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity,  
41 carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or  
42 potentially harmful properties or effects, including, without limitation, molds,  
43 toxic levels of bacteria, tobacco smoke within the Premises, petroleum and  
44 petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs),  
45 refrigerants (including those substances defined in the Environmental  
46 Protection Agency's "Refrigerant Recycling Rule," as amended from time to

time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

- b. Landlord Indemnity. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.
- c. Tenant Indemnity. Tenant shall indemnify, protect, defend (by counsel acceptable to Landlord) and hold harmless Landlord from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials caused by Tenant, its agents, contractors, employees or invitees. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Tenant shall promptly deliver to Landlord a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Tenant's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default

by Tenant under this Section shall constitute a material default under this Lease.

22. ESTOPPEL CERTIFICATES.

Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) or such other commercially reasonable form: (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of either party hereunder, or specifying such defaults, if any are claimed. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

23. TENANT IMPROVEMENTS.

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in the Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

24. LIENS.

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien, except to the extent attributable to the acts or omissions of Tenant.

25. SUBORDINATION AND MORTGAGES.

- a. Subordination and Non-Disturbance. Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith, and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein. If any ground lease or underlying lease terminates for any reason, or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, this Lease shall nevertheless remain in full force and effect and

1 Tenant at all times shall be entitled to quiet possession and use of the  
2 Premises (so long as Tenant is not in default) and shall, notwithstanding any  
3 subordination and upon the request of such successor-in-interest to Landlord,  
4 attorn to and become the Tenant of the successor-in-interest to Landlord.  
5

6 b. Existing Deeds of Trust. The beneficiary under any existing deed of trust  
7 affecting the Building shall provide a written agreement to Tenant in the form  
8 of Document III in the Supplemental Lease Documents delivered to Landlord  
9 concurrently herewith within thirty (30) days after the execution of this Lease.  
10

11 c. Request for Notice. Landlord acknowledges that Tenant intends to record a  
12 Request for Notice with respect to any mortgages or deeds of trust affecting  
13 the Property in the form of Document V in the Supplemental Lease  
14 Documents delivered to Landlord concurrently herewith.  
15

16 d. Notice of Default. If any mortgagee or beneficiary under a deed of trust  
17 affecting the Property gives written notice of its name and address to Tenant  
18 by registered mail requesting any such notice with reference to this Section,  
19 Tenant shall give such mortgagee a copy of any notice of default served upon  
20 Landlord hereunder which could permit Tenant to terminate this Lease and an  
21 additional thirty (30) days within which to cure such default.  
22

23 26. SURRENDER OF POSSESSION.  
24

25 Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of  
26 time or otherwise, Tenant shall promptly and peacefully surrender the Premises to  
27 Landlord in a "broom-clean" condition. Tenant shall remove, at its own expense,  
28 all fixtures, equipment and, all other personal property placed or installed in or  
29 upon the Premises by Tenant, or under its authority (including any modular  
30 furniture).  
31

32 27. SIGNAGE.  
33

34 Subject to Landlord's prior written consent, not to be unreasonably withheld,  
35 delayed or conditioned, Tenant shall be permitted to install at the Premises  
36 reasonably appropriate signs that conform to any and all applicable laws and  
37 ordinances.  
38

39 28. QUIET ENJOYMENT.  
40

41 So long as Tenant is not in default hereunder, Tenant shall have the right to the  
42 quiet and peaceful enjoyment and possession of the Premises and quiet and  
43 peaceful enjoyment of the Common Areas during the Term of this Lease, subject  
44 to the terms and conditions of this Lease.  
45  
46

1 29. GENERAL.

- 2
- 3 a. Headings. Titles to Sections of this Lease are not a part of this Lease and
- 4 shall have no effect upon the construction or interpretation of any part hereof.
- 5
- 6 b. Successors and Assigns. Subject to restriction on assignment and subletting
- 7 set forth in Section 15 above, and Section 31(c) below, all of the covenants,
- 8 agreements, terms and conditions contained in this Lease shall inure to and
- 9 be binding upon the Landlord and Tenant and their respective successors
- 10 and assigns
- 11
- 12 c. Brokers. Landlord and Tenant each represent and warrant to each other that
- 13 it has not engaged any broker, finder or other person who would be entitled to
- 14 any commission or fees in respect of the negotiation, execution or delivery of
- 15 this Lease and shall indemnify and hold harmless each other against any
- 16 loss, cost, liability or expense incurred by the other party as a result of any
- 17 claim asserted by any such broker, finder or other person on the basis of any
- 18 arrangements or agreements made or alleged to have been made in variance
- 19 with this representation.
- 20
- 21 d. Entire Agreement. This Lease (and the Landlord's Work Letter and
- 22 Supplemental Lease Documents) is the final and complete expression of
- 23 Landlord and Tenant relating in any manner to the leasing, use and
- 24 occupancy of the Premises, to Tenant's use of the Building and other matters
- 25 set forth in this Lease. No prior agreements or understanding pertaining to
- 26 the same shall be valid or of any force or effect and the covenants and
- 27 agreements of this Lease shall not be altered, modified or added to except in
- 28 writing signed by both Landlord and Tenant.
- 29
- 30 e. Severability. Any provision of this Lease which shall prove to be invalid, void
- 31 or illegal shall in no way affect, impair or invalidate any other provision hereof
- 32 and the remaining provisions hereof shall nevertheless remain in full force
- 33 and effect.
- 34
- 35 f. Notices. All notices and communications to any party hereunder shall be in
- 36 writing and shall be deemed properly given if delivered personally, sent by
- 37 registered or certified mail, postage prepaid, or by a recognized overnight
- 38 commercial messenger providing proof of delivery, or by facsimile
- 39 (electronically confirmed) to Landlord's Address for Notice and Tenant's
- 40 Address for Notice as set forth in Section 1. Any notice so given shall be
- 41 deemed to have been given as of the date of delivery (whether accepted or
- 42 refused) established by U.S. Post Office return receipt or the overnight
- 43 carrier's proof of delivery, or fax delivery verification as the case may be. Any
- 44 such notice not so given shall be deemed given upon receipt of the same by
- 45 the party to whom the same is to be given.
- 46

- 1 g. Governing Law and Forum. This Lease shall be governed by and construed  
2 in accordance with the internal laws of the State of California. Any litigation  
3 with respect to this Lease shall be conducted in the County of Los Angeles,  
4 State of California.  
5
- 6 h. Waivers. No waiver by Landlord or Tenant of any provision hereof shall be  
7 deemed a waiver of any other provision hereof or of any subsequent breach  
8 by Landlord or Tenant of the same or any other provision. Landlord's or  
9 Tenant's consent to or approval of any act shall not be deemed to render  
10 unnecessary the obtaining of Landlord's or Tenant's consent to or approval of  
11 any subsequent act by Landlord or Tenant.  
12
- 13 i. Time of Essence. Time is of the essence for the performance of all of the  
14 obligations specified hereunder.  
15
- 16 j. Consent. Whenever any consent is required by Landlord or Tenant  
17 hereunder, such consent shall not be unreasonably withheld, conditioned or  
18 delayed and, unless otherwise specifically provided herein, shall be deemed  
19 granted if not refused within thirty (30) days after written request is made  
20 therefore, together with all necessary information.  
21
- 22 k. Community Business Enterprises. Landlord shall complete and deliver to  
23 Tenant concurrently with the execution hereof a Community Business  
24 Enterprises form set forth as Document IV in the Supplemental Lease  
25 Documents delivered to Landlord concurrently herewith.  
26
- 27 l. Memorandum of Lease. If requested by Tenant, Landlord and Tenant shall  
28 execute and acknowledge a Memorandum of Lease in the form of Document  
29 V in the Supplemental Lease Documents delivered to Landlord concurrently  
30 herewith, which Memorandum may be recorded by Tenant, at Tenant's sole  
31 cost and expense, in the Official Records of Los Angeles County.  
32
- 33 m. Force Majeure. In the event that either party is delayed or hindered from the  
34 performance of any act required hereunder by reason of strikes, lock-outs,  
35 labor troubles, inability to procure materials not related to the price thereof,  
36 failure of power, restrictive governmental laws and regulations, riots,  
37 insurrection, war or other reasons of a like nature beyond the reasonable  
38 control of such party (except for Tenant's obligation to pay Rent hereunder  
39 except to the extent otherwise expressly abated as set forth in this Lease),  
40 then performance of such acts shall be excused for the period of the delay,  
41 and the period for the performance of any such act shall be extended for a  
42 period equivalent to the period of such delay. This subsection 29(m) does not  
43 apply to the performance, acts, omissions or obligations of Landlord and/or  
44 Tenant under the Landlord's Work Letter and the Force Majeure provision in  
45 the Landlord's Work Letter shall preempt this subsection regarding all matters

1 contained in the Landlord's Work Letter and shall preempt this section (m)  
2 regarding any Base Building Improvements or furniture.

- 3  
4 n. Cumulative Remedies. No remedy or election hereunder shall be deemed  
5 exclusive but shall wherever possible be cumulative with all other remedies at  
6 law or in equity.

7  
8 30. AUTHORITY  
9

10 Only the Board of Supervisors has the authority, by formally approving and/or  
11 executing this Lease, to bind the County to the terms included herein. Each  
12 individual executing this Lease on behalf of Tenant represents and warrants that  
13 he or she is duly authorized to execute and deliver this Lease on behalf of Tenant,  
14 and that this Lease is binding upon Tenant in accordance with its terms. Landlord  
15 understands that no material terms of this Lease may be altered or deleted, nor  
16 may any new material terms be added to this Lease, without the express written  
17 approval of the Board of Supervisors, either through an amendment to the Lease  
18 or by other formal board action. No County officer, employee, agent or  
19 independent contractor has any authority to alter, add or delete the material terms  
20 of this Lease and Landlord may not rely upon any representations to the contrary.  
21 This limitation of authority applies to all material terms of the Lease including,  
22 without limitation, any monetary ceiling established for Tenant Improvements or  
23 other project costs of Landlord which are subject to reimbursement by County.  
24 County shall not reimburse Landlord for any expenses which exceed this ceiling.  
25 Notwithstanding the foregoing, the Chief Executive Officer of the County or its  
26 delegate (the "Chief Executive Officer") may take any administrative act on behalf  
27 of Tenant hereunder which does not have the effect of increasing Basic Rent or  
28 other financial obligations of Tenant under this Lease, including, without limitation,  
29 granting any approvals, terminating this Lease in the manner provided herein by an  
30 Early Termination Notice or otherwise, signing estoppel certificates, signing the  
31 Commencement Date Memorandum and Confirmation of Lease Terms or  
32 subordinating this Lease. Each individual executing this Lease on behalf of  
33 Landlord represents and warrants that he or she is duly authorized to execute and  
34 deliver this Lease on behalf of Landlord, and that this Lease is binding upon  
35 Landlord in accordance with its terms.

36  
37 31. ACKNOWLEDGEMENT BY LANDLORD.  
38

39 Landlord acknowledges that it is aware of the following provisions:  
40

- 41 a. Consideration of GAIN Program Participants. Should Landlord require  
42 additional or replacement personnel after the effective date of this Lease,  
43 Landlord shall give consideration for any such employment, openings to  
44 participants in the County Department of Public Social Services' Greater  
45 Avenues for Independence ("GAIN") Program who meet Landlord's minimum



1 qualifications for the open position. The County will refer GAIN participants  
2 by job category to Landlord.

- 3  
4 b. Solicitation of Consideration. It is improper for any County officer, employee  
5 or agent to solicit consideration in any form from a landlord with the  
6 implication, suggestion or statement that the landlord's provision of the  
7 consideration may secure more favorable treatment for the landlord in the  
8 award of the Lease or that the landlord's failure to provide such consideration  
9 may negatively affect the County's consideration of the landlord's offer to  
10 lease. A landlord shall not offer or give, either directly or through an  
11 intermediary, consideration in any form to a County officer, employee or agent  
12 for the purpose of securing favorable treatment with respect to the award of  
13 the Lease.

14  
15 Landlord shall immediately report any attempt by a County officer, employee  
16 or agent to solicit such improper consideration. The report shall be made  
17 either to the County manager charged with the supervision of the employee or  
18 to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914  
19 or (800) 544-6861. Failure to report such solicitation may result in the  
20 landlord's submission being eliminated from consideration

- 21  
22 c. Landlord Assignment.

- 23  
24 i. Landlord may assign, transfer, mortgage, hypothecate or encumber  
25 Landlord's right, title and interest in and to this Lease or any portion  
26 thereof (including the right to receive rental payments but excluding its  
27 duties and obligations hereunder), and Landlord may execute any and all  
28 instruments providing for the payment of Rent directly to an assignee or  
29 transferee, but only if the conditions set forth in this Section are met.  
30  
31 ii. Any document or agreement purporting to assign, transfer, mortgage,  
32 hypothecate or encumber Landlord's right, title and interest in and to this  
33 Lease or any portion thereof, is hereinafter referred to as a "Security  
34 Agreement." Any Security Agreement which is executed without full  
35 compliance with the requirements of this Section shall be void.  
36  
37 iii. Each assignee or transferee under the Security Agreement shall certify  
38 and agree in writing that such assignee or transferee has read and is  
39 familiar with the requirements of Sections 5950-5955 of the California  
40 Government Code, which prohibits the offer or sale of any security  
41 constituting a fractional interest in this Lease or any portion thereof,  
42 without the prior written consent of the County. Notwithstanding the  
43 foregoing, the County hereby acknowledges and agrees that Landlord  
44 shall have the right to encumber the Property with CMBS (collateralized  
45 mortgage backed securities) financing or other traditional real estate  
46 financing. However, Landlord may not encumber the Property through

any type of bond financing vehicle, including, but not limited to certificate of participation financing.

- iv. Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of (a) \$500,000 or (b) 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- v. Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.
- vi. Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.
- vii. The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

## 32. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los

1 Angeles County in reliance on Landlord's agreement to lease the Premises to  
2 Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this  
3 Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as  
4 defined in Section 1.

5  
6 33. RENT ADJUSTMENT.  
7

8 a. Annual Adjustment. For each successive twelve (12) months of the Term of  
9 this Lease ("Lease Year"), the Basic Rent shall be subject to adjustment. On  
10 the first anniversary date of the first full calendar month following the  
11 Commencement Date, and every twelve (12) months thereafter, the Basic  
12 Rent shall be adjusted in accordance with the CPI formula set forth in Section  
13 33(b). The "Base Index" shall be the index published in the month the Term  
14 commences.  
15

16 b. CPI Formula. The method for computing the annual rental adjustment shall  
17 be by reference to the Consumer Price Index for all Urban Consumers for the  
18 Los Angeles-Riverside-Orange County area, all items published by the United  
19 States Department of Labor, Bureau of Labor Statistics (1982-84=100) herein  
20 referred to as the "Index".  
21

22 The rental adjustment for the Basic Rent shall be calculated by multiplying the  
23 original Basic Rent by a fraction, the numerator being the New Index, which is  
24 the index published in the month immediately preceding the month the  
25 adjustment is to be effective, and the denominator being the Base Index.  
26

27 The formula shall be as follows  
28

29 New Index

30 
$$\text{Base Index} \times (1.90 \times \text{rentable square footage of Premises}) = \text{New Monthly}$$
  
31 Basic Rent  
32

33 If the Index is changed so that the base year of the Index differs from that  
34 used as of the Commencement Date, the Index shall be converted in  
35 accordance with the conversion factor published by the United States  
36 Department of Labor, Bureau of Labor Statistics. If the Index is discontinued  
37 or revised during the Term, such other governmental Index or computation  
38 with which it is replaced shall be used in order to obtain substitute index (if the  
39 original index is discontinued without a replacement), then upon demand by  
40 either party, the matter shall be submitted to arbitration for the purpose of  
41 determining an alternate method of computing the rental adjustment based  
42 upon the increase in the cost of living.  
43

44 General Provisions. In no event shall the Basic Rent adjustment based upon the  
45 CPI formula set forth in Section 33(b) result in an annual increase greater than five

1 percent (5%) nor less than two and one-half percent (2.5%) of the Basic Rent  
2 immediately prior to the adjustment.  
3

4 **34. OPERATING EXPENSE RENT ADJUSTMENT.**  
5

6 In addition to the Basic Rent, Tenant shall pay Landlord, concurrently with its  
7 payment of Basic Rent, Tenant's proportionate share, which is based on the  
8 rentable square feet of the Building in relation to the total rentable square feet in  
9 the Building (the "Proportionate Share") of additional rent ("Additional Rent") for the  
10 operating expenses ("Operating Expenses") associated with Landlord's ownership,  
11 maintenance, operation and management of the Building. For each Lease Year,  
12 the Operating Expenses shall be subject to adjustment. Prior to the first  
13 anniversary of the Commencement Date and each anniversary thereafter,  
14 Landlord shall provide Tenant with a budget of Operating Expenses due under this  
15 Lease for the ensuing twelve (12) months which total budgeted amount shall not  
16 exceed one hundred and fifteen percent (115%) of the amount of the actual  
17 Operating Expense incurred by Landlord in the prior Lease Year. The Tenant's  
18 Estimated Prorated Share of the Operating Expenses for the first year of the Term  
19 is estimated at \$ 58,674.00 annually.  
20

21 a. Operating Expenses. Landlord's Operating Expenses shall include, without  
22 limitation, all reasonable and necessary costs of any kind paid or incurred by  
23 Landlord in the operation, servicing, repair, maintenance (in neat, clean, safe,  
24 good order and condition) but not replacement of the basic structure of the  
25 Building, including, without limitation, the costs incurred by Landlord in  
26 connection with its repair obligations set forth in Section 10, including the  
27 HVAC systems used in the Premises and more specifically. These costs  
28 shall include the following:  
29

30 i. Maintenance and repair, and replacement of the Building finishes,  
31 including, but not limited to, painting walls and replacing floor coverings  
32 and Building finishes.  
33

34 ii. Maintenance, repair, and replacement of the plumbing, and electrical  
35 systems; life-safety equipment; telecommunication and other equipment  
36 (collectively, the "Building Components") used in common by or for the  
37 benefit of occupants of the Building; elevators, tenant directories, fire  
38 detection systems, including sprinkler system maintenance and repair. In  
39 the event of replacement of any Building Component, the cost of such  
40 replacement that is to be charged to Tenant shall be reduced by any  
41 reserves for replacement attributable to that particular Building  
42 Component that have been previously passed through as part of the  
43 Estimated O/E Cost and further reduced by a percentage based upon the  
44 age of the Building Component being replaced compared to the number of  
45 years the Building Component has been in service prior to the  
46 Commencement Date. For example, if a lighting unit is replaced in year

1 six of this Lease and such lighting unit had been in service for four years  
2 prior to the Commencement Date, then Tenant shall be responsible for its  
3 Proportionate Share of 6/10th of the replacement cost.  
4

5 iii. Trash disposal, janitorial and security services.  
6

7 iv. The cost of the premiums for liability and property insurance policies to be  
8 maintained by Landlord pursuant to Section 19 of this Lease.  
9

10 v. The cost of utilities, including water/sewer charges, gas, electricity, and  
11 other publicly-mandated services to the Building. The utility costs shall be  
12 adjusted to reflect any payments received by Landlord or public utility from  
13 any tenant within the Building for after-hours usage or any utility usage as  
14 required by the tenant's lease.  
15

16 vi. Management fees or administrative fees ("Fees") so long as they are  
17 competitive and customary with buildings in the same or similar  
18 geographical location of the Building and shall not exceed in the  
19 aggregate a competitive and customary management fee charged by an  
20 independent management company to manage the operations of the  
21 Building in its entirety. However, in no event may the Fees exceed 2.25%  
22 of the annual Basic Rent.  
23

24 vii. Maintenance, repair, and replacement of the basic structure, subject to  
25 offset for the greater of a) proceeds which would be payable from  
26 insurance required to be maintained by Landlord under the terms of this  
27 Lease, whether received or not, or b) insurance or other proceeds actually  
28 received.  
29

30 viii. Exterior maintenance of the Premises, including parking areas and  
31 landscaping.  
32

33 b. Exclusions from Operating Expenses. Landlord's Operating Expenses shall  
34 not include, without limitation, the following costs:  
35

36 i. Depreciation of the Building or equipment therein.  
37

38 ii. Landlord's executive salaries.  
39

40 iii. Brokers' leasing commissions and advertising expenses incurred in  
41 connection with the development or leasing of the Building or future  
42 leasing of the Building.  
43

44 iv. Legal and consulting fees and other costs incurred in connection with  
45 negotiations or disputes with present or prospective tenants or other  
46 occupants of the Building

- 1
- 2 v. Expenses in connection with services or other benefits that is not offered
- 3 to Tenant but is offered to other tenants or for which Tenant is charged for
- 4 directly but that are not provided to other tenants or occupants of the
- 5 Building.
- 6
- 7 vi. The cost of any capital improvements made to the project or to the
- 8 common areas by Landlord except those improvements that directly result
- 9 in cost savings to Tenant.
- 10
- 11 vii. Audit and verification fees charged by outside entities.
- 12
- 13 viii. Any bad debt loss, rent loss or reserves for bad debts or rent loss.
- 14
- 15 ix. The rental and other related expenses incurred in leasing air conditioning
- 16 systems, elevators or other equipment ordinarily considered to be of a
- 17 capital nature, except equipment not affixed to the Building that is used in
- 18 providing janitorial or similar services.
- 19
- 20 x. Costs, including permits, license and inspection costs, incurred with
- 21 respect to the installation of tenant improvements made for tenants in the
- 22 Building or incurred in renovating or otherwise improving, decorating,
- 23 painting or redecorating vacant space for tenants or other occupants of
- 24 tenants within the Building.
- 25
- 26 xi. Capital expenditures required by Landlord's failure to comply or by
- 27 Landlord's necessity to comply with laws or building codes enacted on or
- 28 before the date of Tenant's occupancy of the Premises.
- 29
- 30 xii. Interest points and fees on debt or amortization on any mortgage or
- 31 mortgages encumbering the Building or the project.
- 32
- 33 xiii. Any other expenses that in accordance with generally accepted
- 34 accounting principles, consistently applied, would not normally be treated
- 35 as an operating expense by landlords of comparable buildings.
- 36
- 37 xiv. Fees relating to any ground leases.
- 38
- 39 xv. Any and all of Landlord's expenses relating to any parking facility or
- 40 facilities on or about the project or comprising a part of the Building except
- 41 to and only to the extent that such expenses exceed the revenues
- 42 associated with such facilities, or the revenues that would be associated
- 43 with such facilities if such facilities were operated so as to reasonably
- 44 maximize such revenues, whichever revenue amount is greater.
- 45

- 1           xvi.    The costs associated with the remediation or mitigation of Hazardous  
2                   Materials as defined in this Lease, except to the extent introduced by  
3                   Tenant or its agents, contractors, employees or invitees.  
4
- 5           xvii.   The costs in excess of any profits derived by Landlord associated with  
6                   retaining a parking vendor to operate the parking lot that is utilized by  
7                   Tenant's employees.  
8
- 9           xviii.   Costs for which Landlord has a right of reimbursement from others.  
10
- 11          xix.    Property taxes and other assessments as is currently exempted by law,  
12                   shall not be reimbursed to Landlord. Tenant will cooperate with landlord,  
13                   at no cost to tenant, to obtain exemption. Should the exemption cease to  
14                   exist, as a function of law, or shall law change in the future, Tenant shall  
15                   be responsible to reimburse landlord for the same.  
16

17   Notwithstanding anything to the contrary set forth in this Lease, Tenant's Proportionate  
18   Share of the increase in Controllable Operating Expenses (as hereinafter defined) for  
19   each Lease Year shall not be greater than 105% of Tenant's Proportionate Share of the  
20   Controllable Operating Expenses for the Lease Year immediately prior to each such  
21   Lease Year. "Controllable Operating Expenses" shall mean the Operating Expenses  
22   other than "Non-Controllable Operating Expenses" more specifically insurance, taxes,  
23   utilities and other governmentally-mandated charges.  
24

25

26   Landlord shall, within sixty (60) days of the each anniversary date of the  
27   Commencement Date, furnish to Tenant an itemized, detailed statement prepared,  
28   signed and certified to be correct by Landlord, of the total Operating Costs for the prior  
29   Lease Year, (the "Actual Operating Expense Cost") and Landlord's reconciliation of the  
30   Estimated O/E Cost charged in the prior Lease Year with the Actual Operating Expense  
31   Cost for the prior Lease Year. Tenant's Proportionate Share of the Actual Operating  
32   Expense Cost if any, in excess of the Estimated O/E Cost for the prior Lease Year shall  
33   be payable by Tenant within ninety (90) days after Tenant's receipt of the Actual  
34   Operating Expense Cost statement, but in no event shall such amount to be paid by  
35   Tenant exceed fifteen percent (15%) of the Tenant's Proportionate Share of the prior  
36   Lease Year Estimated O/E Cost. Landlord shall pay Tenant the amount of Tenant's  
37   Proportionate Share of the Estimated O/E Cost in excess of the Actual Operating  
38   Expense Cost for the prior Lease Year upon delivery of the Actual Operating Expense  
39   Cost statement.  
40

41   On an annual basis, Landlord shall keep at its offices full, accurate and separate books  
42   of account covering Landlord's operating costs, and the statement shall accurately  
43   reflect the total operating costs and Tenant's Proportionate Share. The books of  
44   account shall be retained by Landlord at its offices for a period of at least five (5) years  
45   after the expiration of each calendar year. Tenant shall have the right at all reasonable  
46   times during the Term to audit Landlord's records and inspect the books of account.

1  
2 If Tenant objects to any statement of increased operating costs submitted to Tenant by  
3 Landlord, both parties shall attempt to resolve the conflict by negotiation. If Landlord  
4 and Tenant are unable to negotiate a resolution to the conflict within twenty (20) days  
5 after Tenant shall have given Landlord written objection to the statement, then the  
6 dispute shall be resolved by binding arbitration mutually acceptable to the parties.  
7

8  
9 [Signature Page Follows]



1 IN WITNESS WHEREOF this Lease has been executed the day and year first  
2 above set forth.

3  
4  
5 LANDLORD:

Triple Net Properties Realty, Inc.,

6  
7  
8 By: 

9 Name: \_\_\_\_\_

10 Its: \_\_\_\_\_

**KENT PETERS**

**EXECUTIVE VICE PRESIDENT**

11  
12  
13  
14 TENANT

COUNTY OF LOS ANGELES

a body politic and corporate

15  
16  
17  
18 By: 

19 Name: \_\_\_\_\_

**YVONNE B. BURKE**

Chair, Board of Supervisors

20  
21  
22 ATTEST:

23  
24 Sachi A. Hamai  
25 Executive Officer-Clerk  
26 of the Board of Supervisors

27 By: 

Deputy

28 I hereby certify that pursuant to  
29 Section 25103 of the Government Code,  
30 delivery of this document has been made.

31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By: 

Deputy

APPROVED AS TO FORM:

County Counsel  
RAYMOND G. FORTNER JR.

By: 

Amy Caves

Senior Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

10

JAN 15 2008

  
SACHI A. HAMAI  
EXECUTIVE OFFICER

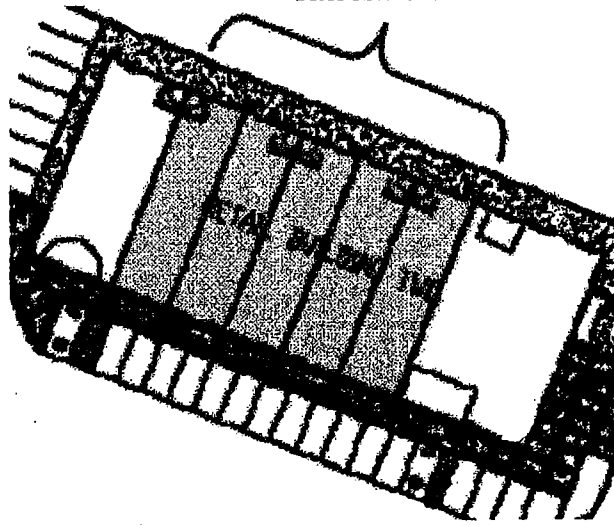
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EXHIBIT A  
(SEE ATTACHED PAGES)

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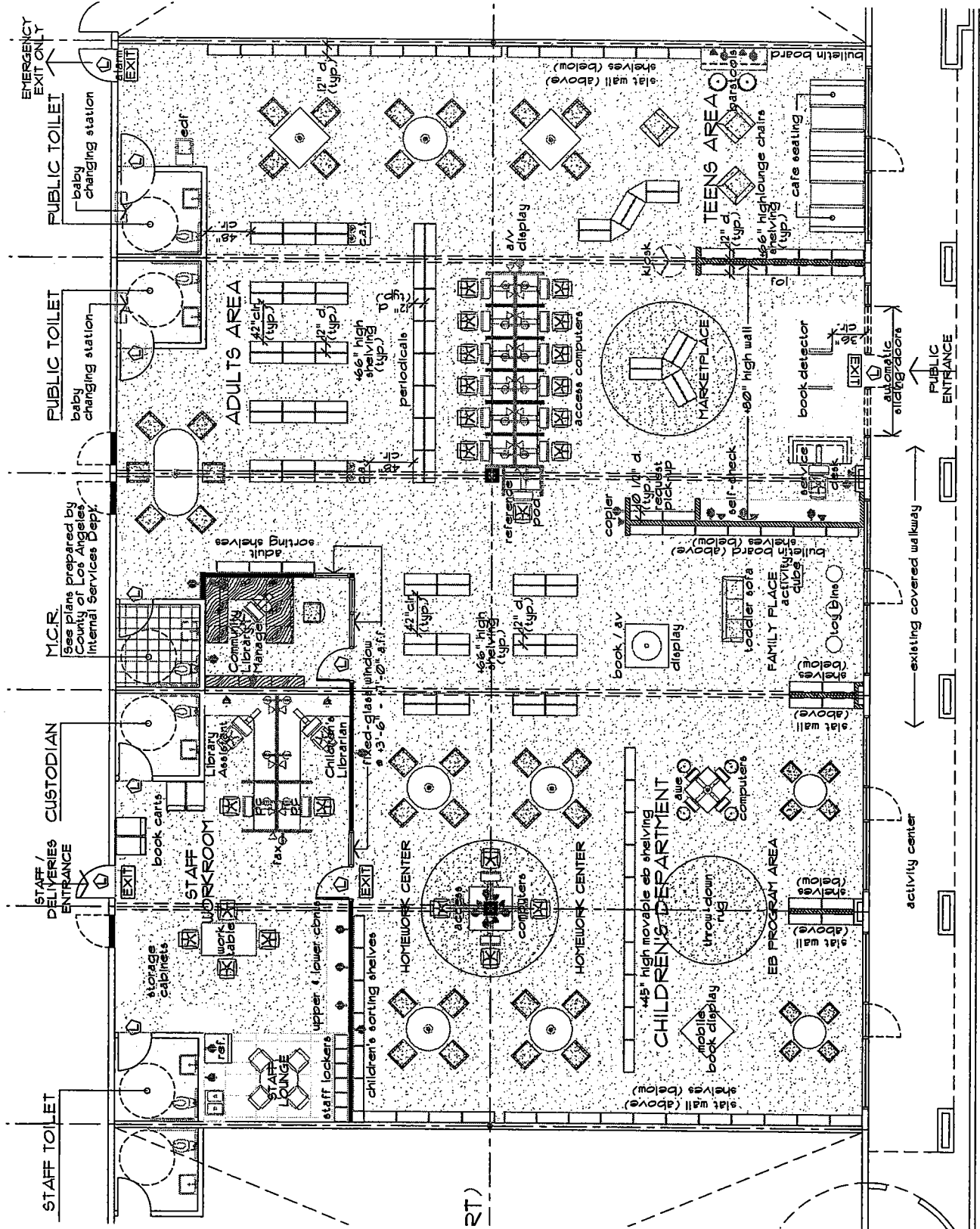
EXHIBIT "A"  
FLOOR PLAN

PROPOSED SPACE



FLOOR PLAN OF PREMISES  
EXHIBIT B  
(SEE ATTACHED PAGES)

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**EXHIBIT "B"**  
**LEGAL DESCRIPTION**

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LEGAL DESCRIPTION OF PROPERTY  
(SEE ATTACHED PAGES)

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## LEGAL DESCRIPTION

### PARCEL 1:

A PORTION OF LOT 1 OF TRACT NO. 34611, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1021 PAGES 86 AND 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 1, SAID POINT BEING ON THE RIGHT OF WAY LINE FOR CAMINO DEL VALLE, VARIABLE WIDTH, AS SHOWN ON SAID TRACT NO. 34611, A RADIAL BEARING TO SAID POINT BEARS, NORTH 45° 46' 57" WEST, AS SHOWN ON SAID TRACT NO. 34611, SAID RIGHT OF WAY BEING A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 900.00 FEET; THENCE, NORTHEASTERLY ALONG SAID RIGHT OF WAY CURVE THROUGH A CENTRAL ANGLE OF 2° 50' 03", AN ARC LENGTH OF 44.52 FEET TO THE TRUE POINT OF BEGINNING; THENCE, LEAVING SAID RIGHT OF WAY, NORTH 44° 53' 52" WEST 165.34 FEET TO A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 113.00 FEET; THENCE, NORTHWESTERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 11° 52' 18" AN ARC LENGTH OF 23.41 FEET; THENCE, NORTH 33° 01' 34" WEST 27.91 FEET; THENCE, NORTH 48° 04' 48" EAST 186.05 FEET; THENCE, SOUTH 41° 55' 12" EAST 62.33 FEET; THENCE, NORTH 48° 04' 48" EAST 87.96 FEET; THENCE, SOUTH 41° 55' 12" EAST 31.00 FEET; THENCE, NORTH 48° 04' 48" EAST 2.04 FEET; THENCE, SOUTH 41° 55' 12" EAST 62.00 FEET; THENCE, SOUTH 48° 04' 48" WEST 59.00 FEET; THENCE, SOUTH 41° 55' 12" EAST 78.99 FEET, TO A POINT ON THE EASTERLY LINE OF SAID LOT 1; THENCE, ALONG THE EASTERLY LINE OF SAID LOT 1, SOUTH 1° 06' 18" EAST 3.07 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1, SAID POINT BEING A POINT ON THE RIGHT OF WAY LINE FOR SAID CAMINO DEL VALLE; THENCE, SOUTHWESTERLY ALONG SAID RIGHT OF WAY LINE TO THE TRUE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, ASPHALTUM AND MINERALS AND OTHER HYDROCARBON SUBSTANCES WITHIN OR UNDERLYING SAID LAND AT A DEPTH BELOW 500 FEET MEASURED VERTICALLY FROM THE SURFACE TOGETHER WITH THE RIGHT TO EXPLORE FOR, DEVELOP AND PRODUCE SUCH OIL, GAS, ASPHALTUM AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY DRILLING OR OTHER OPERATIONS CONDUCTED FROM ADJOINING PROPERTIES AS RESERVED BY LOUIS KENNEDY, A MARRIED MAN IN DEED RECORDED DECEMBER 1, 1965 AS INSTRUMENT NO. IN 959 BOOK D3131 PAGE 107, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES LYING WITHIN OR UNDERLYING SAID LAND LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE SURFACE THEREOF WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND AS RESERVED BY RAYMOND C. HENNING AND S. ELIZABETH HENNING, HUSBAND AND WIFE IN DEED RECORDED JUNE 23, 1971 AS INSTRUMENT NO. 2815 IN BOOK D5099 PAGE 327, OFFICIAL RECORDS.

THE ABOVE DESCRIBED LAND IS SHOWN AS "PROPOSED PARCEL 1" ON CERTIFICATE OF COMPLIANCE NO. 102,099 RECORDED MARCH 18, 2005 AS INSTRUMENT NO. 05-627679.



## LEGAL DESCRIPTION

(continued)

### PARCEL 2:

ALL OF LOT 1 OF TRACT NO. 34611, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1021 PAGES 86 AND 87 OF MAPS, TOGETHER WITH THAT PORTION OF LAND IN THE UNINCORPORATED TERRITORY OF SAID COUNTY, DESCRIBED IN PARCEL 1, OF DEED RECORDED JULY 20, 1972 AS DOCUMENT NO. 344, OF OFFICIAL RECORDS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM, THAT PORTION OF SAID LOT 1, TRACT NO. 34611, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID LOT 1, SAID POINT BEING ON THE RIGHT OF WAY LINE FOR CAMINO DEL VALLE, VARIABLE WIDTH, AS SHOWN ON SAID TRACT NO. 34611, A RADIAL BEARING TO SAID POINT BEARS, NORTH 45° 46' 57" WEST, AS SHOWN ON SAID TRACT NO. 34611, SAID RIGHT OF WAY BEING A CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 900.00 FEET; THENCE, NORTHEASTERLY ALONG SAID RIGHT OF WAY CURVE THROUGH A CENTRAL ANGLE OF 2° 50' 03", AN ARC LENGTH OF 44.52 FEET TO THE TRUE POINT OF BEGINNING; THENCE, LEAVING SAID RIGHT OF WAY, NORTH 44° 53' 52" WEST 165.34 FEET TO A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 113.00 FEET; THENCE, NORTHWESTERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 11° 52' 18", AN ARC LENGTH OF 23.41 FEET; THENCE, NORTH 33° 01' 34" WEST 27.91 FEET; THENCE, NORTH 48° 04' 48" EAST 186.05 FEET; THENCE, SOUTH 41° 55' 12" EAST 62.33 FEET; THENCE, NORTH 48° 04' 48" EAST 87.96 FEET; THENCE, SOUTH 41° 55' 12" EAST 31.00 FEET; THENCE, NORTH 48° 04' 48" EAST 2.04 FEET; THENCE, SOUTH 41° 55' 12" EAST 62.00 FEET; THENCE, SOUTH 48° 04' 48" WEST 59.00 FEET; THENCE, SOUTH 41° 55' 12" EAST 78.99 FEET, TO A POINT ON THE EASTERLY LINE OF SAID LOT 1; THENCE, ALONG THE EASTERLY LINE OF SAID LOT 1, SOUTH 1° 06' 18" EAST 3.07 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1, SAID POINT BEING A POINT ON THE RIGHT OF WAY LINE FOR SAID CAMINO DEL VALLE; THENCE, SOUTHWESTERLY ALONG SAID RIGHT OF WAY LINE TO THE TRUE POINT OF BEGINNING.

EXCEPT FROM THAT PORTION LYING WITHIN SAID LOT 1, AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS, ASPHALTUM AND MINERALS AND OTHER HYDROCARBON SUBSTANCES WITHIN OR UNDERLYING SAID LAND AT A DEPTH BELOW 500 FEET MEASURED VERTICALLY FROM THE SURFACE TOGETHER WITH THE RIGHT TO EXPLORE FOR, DEVELOP AND PRODUCE SUCH OIL, GAS, ASPHALTUM AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY DRILLING OR OTHER OPERATIONS CONDUCTED FROM ADJOINING PROPERTIES AS RESERVED BY LOUIS KENNEDY, A MARRIED MAN IN DEED RECORDED DECEMBER 1, 1965 AS INSTRUMENT NO. IN 959 BOOK D3131 PAGE 107, OFFICIAL RECORDS.

ALSO EXCEPT FROM THAT PORTION LYING WITHIN SAID LOT 1, AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES LYING WITHIN OR UNDERLYING SAID LAND LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE SURFACE THEREOF WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND AS RESERVED BY RAYMOND C. HENNING AND S. ELIZABETH HENNING, HUSBAND AND WIFE IN DEED RECORDED JUNE 23, 1971 AS INSTRUMENT NO. 2815 IN BOOK D5099 PAGE 327, OFFICIAL RECORDS.

## LEGAL DESCRIPTION

(continued)

EXCEPT FROM THAT PORTION LYING WITHIN THE LAND DESCRIBED IN PARCEL 1, OF SAID DEED RECORDED JULY 20, 1972, AN UNDIVIDED ONE-HALF OF ALL OIL AND GAS AND OTHER MINERALS UNDER SAID LAND AND AN UNDIVIDED ONE-HALF OF THE ROYALTY OF OIL AND GAS AND OTHER MINERALS OR THE PROCEEDS THEREFROM WHICH MAY BE PRODUCED FROM SAID OIL AND GAS AND OTHER MINERALS FROM SAID LAND, AS RESERVED BY HERBERT C. PARKER AND WIFE, BY DEED DATED OCTOBER 9, 1947 AND RECORDED DECEMBER 23, 1947 AS INSTRUMENT NO. 1783 IN BOOK 26045 PAGE 228, OFFICIAL RECORDS.

ALSO EXCEPT FROM THAT PORTION LYING WITHIN THE LAND DESCRIBED IN PARCEL 1, OF SAID DEED RECORDED JULY 20, 1972, ALL INTEREST IN AND TO ALL OIL AND GAS AND OTHER MINERALS UNDER SAID LAND AND ALL ROYALTY OF OIL AND GAS AND OTHER MINERALS OR THEIR PROCEEDS THEREOF WHICH MAY BE PRODUCED FROM SAID OIL AND GAS AND OTHER MINERALS FROM SAID LAND, AS RESERVED BY MOBIL OIL CORPORATION, A CORPORATION, IN DEED RECORDED JULY 20, 1972 AS INSTRUMENT NO. 344, OFFICIAL RECORDS

THE ABOVE DESCRIBED LAND IS SHOWN AS "PROPOSED PARCEL 2" ON CERTIFICATE OF COMPLIANCE NO. 102,099 RECORDED MARCH 18, 2005 AS INSTRUMENT NO. 05-627679.

{NOTE: THE LEGAL DESCRIPTIONS SHOWN IN PARCELS 1 AND 2 ABOVE HAVE NOT YET BEEN APPROVED BY OUR ENGINEERING DEPARTMENT. WE WILL NOTIFY YOU WHEN THEIR REVIEW HAS BEEN COMPLETED AND OF ANY COMMENTS THAT MAY HAVE BEEN MADE.}

END OF LEGAL DESCRIPTION

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM  
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated \_\_\_\_\_, 2007,  
between County of Los Angeles, a body politic and corporate ("Tenant"), NNN Castaic  
Town Center, LLC, NNN Castaic Town Center 1, LLC, NNN Castaic Town Center 2, LLC,  
NNN Castaic Town Center 3, LLC, NNN Castaic Town Center 4, LLC, NNN Castaic Town  
Center 5, LLC, NNN Castaic Town Center 6, LLC, NNN Castaic Town Center 7, LLC,  
NNN Castaic Town Center 8, LLC, NNN Castaic Town Center 9, LLC, NNN Castaic Town  
Center 10, LLC, NNN Castaic Town Center 11, LLC, NNN Castaic Town Center 12, LLC,  
NNN Castaic Town Center 14, LLC, NNN Castaic Town Center 15, LLC, NNN Castaic  
Town Center 16, LLC, NNN Castaic Town Center 17, LLC, NNN Castaic Town Center 20,  
LLC, NNN Castaic Town Center 21, LLC, NNN Castaic Town Center 22, LLC, NNN  
Castaic Town Center 23, LLC, NNN Castaic Town Center 24, LLC, NNN Castaic Town  
Center 25, LLC, NNN Castaic Town Center 26, LLC, NNN Castaic Town Center 27, LLC,  
each one a Delaware limited liability company ("Landlord") acting by and through Triple  
Net Properties Realty, Inc. ("Agent" for Landlord)  
, whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises  
in the building located at 27971 Sloan canyon Road, Castaic, CA ("Premises").

Landlord and Tenant hereby acknowledge as follows:

(1) Landlord delivered possession of the Premises to Tenant in a  
Substantially Complete condition on \_\_\_\_\_ ("Possession Date");

(2) Tenant has accepted possession of the Premises and now  
occupies the same;

(3) The Lease commenced on \_\_\_\_\_ ("Commencement  
Date");

(4) The Premises contain \_\_\_\_\_ rentable square feet of space;  
and

(5) Basic Rent Per Month is \_\_\_\_\_.

(6) Tenant's Proportionate Share of Operating Expense Rent is \_\_% of  
\_\_\_\_\_.

IN WITNESS WHEREOF, this Memorandum is executed this \_\_\_\_ day of  
\_\_\_\_\_, 200\_\_.

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"Tenant"

COUNTY OF LOS ANGELES,  
A body politic and corporate

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

"Landlord"

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT D

HVAC SYSTEMS

Landlord shall supply cooling, ventilating and heating systems with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of no greater than 76 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Landlord shall provide the maximum rated heating or cooling as required while outside air temperature is outside this envelope. Interior space is designated at a rate one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. Landlord shall maintain the HVAC system per manufacturer's specifications. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications. Landlord shall make necessary repairs to the HVAC system within 24 hours of notification. Landlord shall provide County with direct access to the thermal controls for the area.

**SUPPLEMENTAL LEASE DOCUMENTS**

**For**

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AND AGREEMENT**

**DEPARTMENT: PUBLIC LIBRARY, as Tenant**

**LANDLORD: NNN CASTAIC TOWN CENTER, LLC**

**27291 SLOAN CANYON ROAD, CASTAIC**

**\*\*\*\*\***

Document I - Subordination, Nondisturbance and Attornment Agreement

Document II - Tenant Estoppel Agreement

Document III - Community Business Enterprises Form

Document IV - Memorandum of Lease

Document V - Request for Notice

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**DOCUMENT I**

**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012

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Space above for Recorder's Use

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**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**NOTICE: THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This Subordination, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), NNN Castaic Town Center, LLC, LLC, ("Borrower") and [*Insert name of Lender*], ("Lender").

**Factual Background**

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a nondisturbance provision, all as set forth more fully below.

## Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination..

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Nondisturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section..



To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street, 3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

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TENANT: COUNTY OF LOS ANGELES,  
a body politic and corporate

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**DOCUMENT II**  
**TENANT ESTOPPEL CERTIFICATE**

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:   Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1.     Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2.     (a)    A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

      (d)    Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

      (e)    Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3.     (a)    The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended and is in full force

and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(b) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_

\_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

**DOCUMENT III**

**COMMUNITY BUSINESS ENTERPRISES FORM**

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

**I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates Partners, Managers, Staff, etc.)**

FIRM: NAME

ADDRESS

CONTACT

TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: \_\_\_\_\_

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above <u>and</u> also reported here separately)	_____	_____	_____

**II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM**

TYPE OF BUSINESS STRUCTURE: \_\_\_\_\_

\_\_\_\_\_ (Corporation, Partnership, Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: \_\_\_\_\_

PERCENTAGE OF OWNERSHIP

Black/African American \_\_\_\_\_  
Hispanic/Latin American \_\_\_\_\_  
Asian American \_\_\_\_\_  
Portuguese American \_\_\_\_\_  
American Indian/ \_\_\_\_\_  
Alaskan Native \_\_\_\_\_  
All Others \_\_\_\_\_  
Women \_\_\_\_\_  
(Should be included in counts  
above and also reported  
here separately)

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS  
FIRM BY THE:

State of California?	Yes	No
City of Los Angeles?	Yes	No
Federal Government?	Yes	No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS  
FORM.

Firm Name:

Signed:

Date:

Title:

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**DOCUMENT IV**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

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**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between NNN Castaic Town Center, LLC, (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_\_\_, and ending on a date \_\_\_\_\_ (10) years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated \_\_\_\_\_, 200\_\_.

[Tenant has the option to extend the term of the Lease for a period of two (2) 5-year options, subject to the terms and conditions of the Lease.]

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

TENANT:

\_\_\_\_\_

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By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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**DOCUMENT V**  
**REQUEST FOR NOTICE**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
222 South Hill Street  
3rd Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

---

**REQUEST FOR NOTICE**

**(UNDER SECTION 2924B CIVIL CODE)**

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording of Deed of Trust

Instrument Number of Deed of Trust

Trustor

Trustee

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Beneficiary

be mailed to County of Los Angeles, Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of Real Estate.

"LENDER:

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
SIGNEE'S NAME

Its:     SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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COUNTY OF \_\_\_\_\_ ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_  
\_\_\_\_\_ a Notary Public in and for the State of California, personally appeared \_\_\_\_\_

\_\_\_\_\_ personally known to me (or proved on the  
basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

WITNESS my hand and official seal

Signature \_\_\_\_\_

My commission expires \_\_\_\_\_.

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**LANDLORD'S WORK LETTER**

**For**

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AND AGREEMENT**

**DEPARTMENT: LIBRARY, as Tenant**

**LANDLORD:**

27971 Sloan Canyon Road, Castaic, CA 91384

## LANDLORD'S WORK LETTER

This Work Letter supplements the Lease (the "Lease") dated \_\_\_\_\_, 20\_\_, executed concurrently herewith, by and between NNN SFS TOWN CENTER, LLC, a Delaware limited liability company, NNN SFS TOWN CENTER 1, LLC, NNN SFS TOWN CENTER 2, LLC, NNN SFS TOWN CENTER 3, LLC, NNN SFS TOWN CENTER 4, LLC, NNN SFS TOWN CENTER 5, LLC, NNN SFS TOWN CENTER 6, LLC, NNN SFS TOWN CENTER 7, LLC, NNN SFS TOWN CENTER 8, LLC, NNN SFS TOWN CENTER 9, LLC, NNN SFS TOWN CENTER 11, LLC, NNN SFS TOWN CENTER 13, LLC, NNN SFS TOWN CENTER 14, LLC, NNN SFS TOWN CENTER 15, LLC, NNN SFS TOWN CENTER 16, LLC, NNN SFS TOWN CENTER 17, LLC, NNN SFS TOWN CENTER 18, LLC, NNN SFS TOWN CENTER 19, LLC, NNN SFS TOWN CENTER 20, LLC, NNN SFS TOWN CENTER 21, LLC, NNN SFS TOWN CENTER 22, LLC, each a Delaware limited liability company ("Landlord"), acting by and through Triple Net Properties Realty, Inc. ("Agent" for Landlord), and COUNTY OF LOS ANGELES as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. Basic Work Letter Information. The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

(a) <u>Base Tenant Improvement Allowance</u>	\$69,850 (i.e., \$10.00 per rentable square foot of the Premises)
(b) <u>Additional Tenant Improvement Allowance</u>	\$419,100(i.e., \$60.00 per rentable square foot of the Premises)
<u>Maximum Change Order Allowance</u>	\$50,000
(c) Furniture Allowance	NOT APPLICABLE
(e) <u>Additional Tenant Improvement and Change Order Amortization Rate:</u>	Paid to Landlord in a lump sum within thirty (30) days of the date on which the Tenant Improvements are Substantially Complete
(f) <u>Basic Rent Reduction per \$1,000</u>	N/A
(g) <u>Tenant's Work Letter Representative</u>	Thomas Shepos or an assigned staff person of the Chief Executive Office-Real Estate Division
(h) <u>Landlord's Work Letter Representative</u>	Heidy Giron
(i) <u>Landlord's Address for Work Letter Notice</u>	1551 N Tustin Avenue, Suite 200 Santa Ana, CA 92705

(g) <u>Tenant's Work Letter Representative</u>	Thomas Shepos or an assigned staff person of the Chief Administrative Office-Real Estate Division
(h) <u>Landlord's Work Letter Representative</u>	Heidy Giron
(i) <u>Landlord's Address for Work Letter Notice</u>	1551 N Tustin Avenue, Suite 200 Santa Ana, CA 92705
(j) <u>Tenant's Address for Work Letter Notice</u>	Board of Supervisors Kenneth Hahn Hall of Administration Room 383 500 West Temple Street Los Angeles, California 90012 With a copy to: Chief Administrative Office- Real Estate Division 222 South Hill Street, 3 <sup>rd</sup> Floor Los Angeles, California 90012 Attention: Director of Real Estate Fax Number: (213) 217-4971
(k) Addenda	Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Form of Budget Addendum D: Costs of Tenant Improvements

## 2. Construction of the Building.

2.1 Base Building Improvements. Landlord has constructed or shall construct the base Building improvements as a part of the Building described on Addendum A hereto (the "Base Building Improvements"). To the extent that the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall be considered Tenant Improvements (as defined below) only to the extent such changes or additions are specifically described in Addendum B hereto.

### 2.2 Additional Costs Not Tenant Improvement Costs

(a) In the event that the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it

would not have incurred had the Building been in compliance with such codes, such costs shall not be included in the calculation of Tenant Improvement Costs as defined below and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, or (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses.

2.3 Base Building Plans. Landlord has delivered to Tenant "as built" plans and specifications for the Building in an AutoCAD 2000 format. In the event Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, such increased costs will be reimbursed to Tenant and any delay caused thereby shall not be a Tenant Delay, as defined below.

3. Selection of Architect and Engineer. Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects ("Architect") and engineers ("Engineer") familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings as defined below. The Architect and the Engineer shall be selected by Landlord subject to Tenant's consent, which consent shall not be unreasonably withheld, and which consent (or refusal to consent for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the Architect and the Engineer to Tenant together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until the Architect and the Engineer is/are finally approved by Tenant and written consent has been delivered to and received by Landlord.

4. Selection of Contractor The Final Plans, as defined below, and a proposed construction contract approved by Tenant, shall be submitted to contractors, selected by Landlord and approved by Tenant, sufficient in number so that a minimum of three (3) bids are received. Each approved contractor shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord shall designate) to construct the Tenant Improvements designated on the Final Plans. Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

5. Preparation of Plans and Specifications and Construction Schedule.

5.1 Preparation of Space Plan. Concurrently with the execution of this Lease, Tenant shall submit to Landlord a space plan and specifications for the Premises showing all demising

walls, corridors, entrances, exits, doors, interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (the "Space Plan").

5.2 Preparation and Approval of Working Drawings. Within ten (10) days of the date the Space Plan is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of Working Drawings (the "Working Drawings"), which shall be compatible with the design, construction and equipment of the Building, comply with all applicable laws, be capable of physical measurement and construction, contain all such information as may be required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion as has from time to time been submitted, for review.

5.3 Preparation and Approval of Engineering Drawings. Landlord shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings") to be integrated into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has approved the Engineering Drawings, Landlord shall cause the Architect to integrate the approved Working Drawings with the approved Engineering Drawings (collectively "Final Plans") and deliver five (5) sets of the Final Plans to Tenant. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements) and power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements.

5.5 Approval of Plans by Tenant. Approval by Tenant shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements.

5.6 Schedule. Within thirty (30) days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule, subject to approval by Tenant which approval shall not be unreasonably withheld, setting forth the dates specific completion of certain project benchmarks including, but not limited to, completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of construction contract, construction commencement, construction completion, Projected Commencement Date and other similar dates. As the construction continues, Landlord shall amend the schedule from time to time to reflect any changes to the projected dates.

## 6. Final Construction Budget and Payment of Tenant Construction Costs



6.1 Construction Budget. Within three (3) days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary budget (the "Preliminary Budget") in a format similar to Addendum C attached hereto. Such budget shall be revised into final form within ten (10) days from the date the Contractor is selected and will be referred to herein as the "Final Construction Budget". Tenant shall have five (5) days from the date of receipt of the Final Construction Budget to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval or disapproval of the Final Construction Budget or the five (5) day period expires without any response from Tenant. In the event Tenant disapproves the Final Construction Budget due to matters related to cost and the Final Construction Budget is ten percent (10%) or more higher in cost than was projected in the Preliminary Construction Budget, then any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. Landlord shall review the Space Plan, Working Drawings, Engineering Drawings and Final Plans at its sole cost and expense. No fee for profit, overhead or general conditions in connection with the construction of the Tenant Improvements shall be included in the Final Construction Budget unless approved by Tenant.

6.2 Additional Tenant Improvement Allowance. All improvements required by the Working Plans and modular furniture described in the Modular Specifications, as further described in Addendum B hereto, shall be Tenant Improvements and shall be at Landlord's sole cost and expense ("Tenant Improvements"). Costs of Tenant Improvements shall include costs for furniture, telecommunications equipment, soft costs and any other costs designated in writing by Tenant in the aggregate not to exceed the Base Tenant Improvement Allowance, the Additional Tenant Improvement Allowance and costs of Change Orders, as defined below ("Tenant Improvement Costs"). Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements except for delays or costs arising from Tenant Delays as defined below. It is anticipated that the Tenant Improvement Costs will exceed the Tenant Improvement Allowance so that Tenant may authorize Landlord to pay the overage in an amount not exceeding the Additional Tenant Improvement Allowance. The amount of the Additional Tenant Improvement Allowance shall be paid to Landlord as provided herein.

6.3 Method of Payment. That portion of the Additional Tenant Improvement Allowance and Change Order Allowance used to pay for the Tenant Improvement Costs must be paid to Landlord (i) in a lump sum within thirty (30) days of when the Tenant Improvements are Substantially Complete.

## **7. Construction of Tenant Improvements.**

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans is not described on Addendum B hereto the work shall be performed by Landlord at its own cost and expense and not included in the cost of Tenant Improvements.

7.2 Bids. Unless waived by Tenant in writing, the general contractor for the Tenant Improvements shall be selected only after three (3) bids have been solicited from responsible and qualified persons. Landlord shall submit three (3) sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Three (3) bids for the

purchase and installation of the office furniture system, prepared by the furniture dealer, shall be included in the construction estimates, if applicable.

(a) Permits. Landlord shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after approval of the Final Plans.

(b) Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within fifteen (15) days after issuance of all such necessary permits. Landlord shall commence and, once commenced, shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays.

7.3 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, carpeting and any or all other decorator selection efforts required by Tenant, shall be provided by Landlord at Landlord's expense in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises themselves or in other areas utilized by Landlord or its contractors.

(d) Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

7.4 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted on three and one-half inch (3½") 1.4Mb magnetic media diskettes in Auto CAD R 12.dwg (or later version) format or .DXF format, along with one complete set of mylar transparencies of drawings and one complete set of specifications.

8. Change Orders. Tenant and Landlord may make changes, additions, deletions or alterations in the Final Plans ("Change Order") provided both Tenant and Landlord approve such

changes in writing. The amount of the Maximum Change Order Allowance set forth in Section 1 has been authorized by the Board of Supervisors of the County to be used to pay the costs of all authorized Change Orders but only the Chief Administrative Officer is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the Maximum Change Order Allowance. Tenant may elect to pay for Change Orders (a) in a lump sum upon Substantial Completion of the Tenant Improvements, or (b) amortize the costs over the term of the Lease at the Change Order Amortization Rate. Landlord shall submit to the Chief Administrative Officer with each requested Change Order (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Orders previously approved, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Order must be signed and dated by the Chief Administrative Officer.

9. **Furniture System** (NOT APPLICABLE)

9.1 Tenant shall deliver to Landlord within ten (10) days after execution hereof, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, Landlord and /or Landlord's architect, shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors. Prior to submission for bids, Landlord shall review the bid package with Tenant and Tenant shall have the right to approve or disapprove the bid package. Landlord shall provide at its cost the modular furniture set forth in the Modular Specifications and shall not be responsible for the cost of such modular furniture in excess of the Furniture Allowance. Tenant shall reimburse the Landlord in a lump sum or in accordance with a financed transaction entered into between Landlord and the furniture vendor acceptable to the Tenant, including, but not limited to, a lease purchase agreement, provided the outstanding balance can be no more than One Dollar (\$1) at the end of a term not to exceed one hundred twenty (120) months.

9.2 Tenant may opt to finance the lump-sum payment for the cost of modular furniture through lease-purchase financing with a third-party vendor ("Creditor"). In the event the Tenant elects to enter into a lease-purchase financing of the furniture and telecommunications equipment (the "Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the realty or real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage occasioned by such removal shall be repaired by Creditor.

(b) Landlord shall be notified by Creditor of any plan by Creditor to remove the Personal Property.

(c) This section shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord does hereby waive any right to gain possession of any of Personal Property during the term of this Lease.

10. **Tenant Improvement Costs Adjustment and Right to Audit.** Within five (5) days of the issuance of a Certificate of Occupancy, or a final sign-off by the City of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing in reasonable detail all Tenant Improvement Costs and the total amount payable hereunder by Tenant to Landlord. Upon approval of the statement by Tenant, payments by either party pursuant to the Lease and this Landlord's Work Letter shall be adjusted as appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of twenty-four (24) months from the date of acceptance by Tenant of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under this Landlord's Work Letter, Tenant shall provide Landlord with a copy of the audit summary and, if Landlord agrees with the findings of such audit summary, then Landlord shall pay Tenant the amount of any over-payment made by Tenant within thirty (30) days and future payments shall be adjusted as appropriate based upon the audit results. If Landlord reasonably objects to the findings of the audit summary, then the dispute shall be resolved through binding arbitration mutually acceptable to the parties.

11. **Exclusions.** The Tenant Improvement cost shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

12. **Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s) including permanent power and HVAC, in compliance with the Space Plan and specifications provided by Tenant, at least thirty (30) days prior to the Projected Commencement Date. During this thirty (30) day period, the Landlord shall be responsible for any telephone/data equipment delivered to the site for programming prior to the Projected Commencement Date.

13. **Delay.**

13.1. **Tenant Delays and Force Majeure Delays.** Except as set forth herein, no delay in the completion of construction of the Tenant Improvements shall be considered in the determination of the Commencement Date of the Lease and, except as set forth herein or in the Lease, under no circumstance shall Tenant be charged with any delay whatsoever as a result of delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Projected Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (i) Tenant fails or refuses to give authorizations or approvals within the time periods required herein but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (ii) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").

13.2. **Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless Landlord has provided written notice, within forty eight (48) hours of the event giving rise to such claim, in compliance with the Lease, to Tenant specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction or circumstances qualify as a Tenant Delay or Force

Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred only commencing as of the date Tenant received such notice from Landlord.

(b) Mitigation. Tenant Delays and Force Majeure Delays shall delay the Projected Commencement Date only in the event that Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, which efforts Landlord shall be obligated to make (provided such additional cost incurred by Landlord due to such effort does not exceed \$1,000 on a cumulative basis, unless Tenant agrees to pay to such excess).

(c) Concurrent Delays. Tenant Delays and Force Majeure Delays shall be recognized hereunder only to the extent the same are not concurrent with any other Tenant Delay or Force Majeure Delay which is effective hereunder. For example, if there are ten (10) days of Tenant Delays and four (4) days of Force Majeure Delays which occur during the same ten (10) day period of such Tenant Delays, then the Projected Commencement Date would be extended by only ten (10) days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, the Projected Commencement Date would be extended by fourteen (14) days.

(d) Change Orders. Landlord may not claim that a Change Order requested by Tenant was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the Change Order authorization.

14. Tenant Remedies. If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if Tenant Improvements have not been completed within sixty (60) days from the Projected Commencement Date, Tenant may, at its option:

14.1. Cancel the Lease upon thirty (30) days written notice to Landlord; or

14.2. Upon thirty (30) days written notice to Landlord, assume the responsibility for providing the Tenant Improvements itself. If Tenant elects to provide tenant improvements itself, then:

(a). Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b). Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for its administrative costs, and including interest at the rate of nine percent (9%) per annum ("Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the rent payable hereunder.

Any default by Landlord under the terms of this Landlord's Work Letter shall constitute a default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. Representatives.

(a) Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Landlord's Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of

Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.

(b) Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Landlord's Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.

16. Elevator Usage During Move-In. Not Applicable.

17. Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five (5) days of the date the Contractor is selected.

18. Delivery. Delivery of all plans and drawings referred to in this Work Letter shall be by commercial messenger service or personal hand delivery, unless otherwise agreed by Landlord and Tenant.

LANDLORD:

NNN Castaic Town Center, LLC, NNN Castaic Town Center 1, LLC, NNN Castaic Town Center 2, LLC, NNN Castaic Town Center 3, LLC, NNN Castaic Town Center 4, LLC, NNN Castaic Town Center 5, LLC, NNN Castaic Town Center 6, LLC, NNN Castaic Town Center 7, LLC, NNN Castaic Town Center 8, LLC, NNN Castaic Town Center 9, LLC, NNN Castaic Town Center 10, LLC, NNN Castaic Town Center 11, LLC, NNN Castaic Town Center 12, LLC, NNN Castaic Town Center 14, LLC, NNN Castaic Town Center 15, LLC, NNN Castaic Town Center 16, LLC, NNN Castaic Town Center 17, LLC, NNN Castaic Town Center 20, LLC, NNN Castaic Town Center 21, LLC, NNN Castaic Town Center 22, LLC, NNN Castaic Town Center 23, LLC, NNN Castaic Town Center 24, LLC, NNN Castaic Town Center 25, LLC, NNN Castaic Town Center 26, LLC, NNN Castaic Town Center 27, LLC, each one a Delaware limited liability company ("Landlord")

By: Triple Net Properties Realty, Inc.,  
as Landlord's authorized agent

By: 

Name: **KENT PETERS**  
**EXECUTIVE VICE PRESIDENT**

Title: \_\_\_\_\_

Date Signed: 10/25/07

TENANT:

COUNTY OF LOS ANGELES,  
a body politic and corporate

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

## **ADDENDUM A To Landlord's Work Letter**

### **BASE BUILDING IMPROVEMENTS**

Landlord has constructed (or will construct) the Building to include the following:

(a) the Building shell and exterior, including perimeter window frames, mullions and glazing in good condition;

(b) the core area, including mechanical, electrical, sprinkler, plumbing, life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(c) men's and women's toilet rooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) unpainted exterior dry wall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows;

(e) public stairways;

(f) passenger and freight elevators;

(g) parking facilities;

(h) ground floor lobby;

(i) finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) drinking fountains at the core;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on floors 1 and 2, in which case Landlord, at no cost to Tenant and without deduction from the Tenant Improvement Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) two (2) 208/120 and one (1) 480/277 bolt panels connected to the Building power system;

(p) mechanical equipment room with ducted mechanical exhaust system;



(q) concrete floors with trowelled finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(r) standard window coverings; if applicable

(s) primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment room around the building core;

(t) hot and cold air loops located within the Premises;

(u) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;

(v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;

(w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and

(x) gypsum board on the service core walls, columns and sills in the Premises.

## **ADDENDUM B To Landlord's Work Letter**

### **TENANT IMPROVEMENTS**

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public areas on multi-tenant levels and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public areas on multi-tenant levels and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity; and
- (k) Fiber optic access.

# **OUTLINE SPECIFICATIONS**

**FOR**

## **PUBLIC LIBRARY**

**27971 SLOAN CANYON ROAD  
CASTAIC, CA 91384**



**COUNTY OF LOS ANGELES**

**CHIEF EXECUTIVE OFFICE**

**REAL ESTATE DIVISION**

**FACILITIES SPACE DESIGN**

**222 SO. HILL STREET,**

**LOS ANGELES, CA 90012**

**FILE NO. 26 - 07**

**Contact: Bob Powell  
TELEPHONE: (213) 974-4243  
FAX: (213) 217-4971  
bpowell@ceo.lacounty.gov**

**December 12, 2007**

## DIVISION 1 – GENERAL REQUIREMENTS:

1. The Lessor shall provide tenant improvements as described herein to provide a “turn-key” space for the Castaic Library.
2. The Lessor and his/her Architect shall consider the following Outline Specifications and Preliminary Drawings prepared by the County of Los Angeles, Chief Executive Office, as showing the County’s functional utilization of space and general requirements of materials and quality of workmanship. The Outline Specifications and Preliminary Drawings are not definitive as to absolve the Lessor and his Architect and General Contractor from addressing any and all governing code requirements.
3. Scope of work shall include all labor, materials, supplies, equipment, services, specialties, transportation, and the cost thereof, required to complete tenant improvements.
4. Tenant improvements shall conform to the requirements of all governing building, plumbing, mechanical, and electrical codes, and any and all other applicable requirements including State of California Administrative Code and The Americans With Disabilities Act. The Lessor shall be responsible for obtaining all necessary permits.
5. Project shall be designed to incorporate County’s voice, data, and low voltage requirements. See plans and specifications prepared by the County of Los Angeles, Internal Services Department, Information Technology Service, and the Communications / Low Voltage Specification for County of Los Angeles Public Library.
6. Upon approval of tenant improvement construction drawings issuance of building permit, premises shall be turned over to the licensed Contractor who shall be fully responsible for the project until the work is complete and has been accepted by the Lessor and approved by the County.
7. Upon completion of construction, Contractor shall wash all windows, sweep, wash and/or polish all floors, and vacuum (and shampoo if necessary) all carpeting. Contractor shall remove all trash and debris from the project site.
8. Submittals:
  - A. Construction Drawings: Submit five (5) sets of blackline prints to County for review and approval prior to construction.
  - B. Shop Drawings and Material Submittals: Submit to County for approval prior to order and/or fabrication.
  - C. As-Builts: Upon completion of project, submit one set of revised/updated contract documents on an electronic drawing file in a CD laser disk format.
  - D. Permits: Upon completion of project, submit copies of all permits, inspection cards, and certificates of occupancy.
  - E. Miscellaneous: Submit two (2) copies of all warranties, operation manuals, and other pertinent information to County upon completion of project.

## DIVISION 2 – SITE WORK:

1. Provide parking as required in the lease documents.
2. Modify site as required for drive-up book return at location directed by County. (Book return to be provided and installed by County).

## DIVISION 3 – CONCRETE:

- (No specific requirements).

## DIVISION 4 – MASONRY:

- (No specific requirements).

## DIVISION 5 – METALS:

- (No specific requirements).

## DIVISION 6 – WOOD AND PLASTICS:

- Architectural Woodwork:
  - A. All cabinetry and millwork shall conform to the requirements of the Woodwork Institute, "Custom" grade, flush overlay construction.
  - B. Cabinet faces, sides, and trim shall be plastic laminate facing, Wilsonart or Formica.
  - C. All cabinetry and millwork shall comply with accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
  - D. Submit shop drawings to County for approval prior to fabrication.
  - E. Provide new cabinetry at locations shown on Preliminary Drawings:
    - Staff Lounge: 24" d. counter with plastic laminate top and splash and bullnose edge, and upper and lower cabinets with adjustable shelves.
    - Staff Workroom: 30" d. counter with plastic laminate top and splash and bullnose edge, with upper and lower cabinets with adjustable shelves.

## DIVISION 7 – THERMAL AND MOISTURE PROTECTION:

- New walls to be sound-insulated:

- A. Provide full-height (floor to underside of roof structure) sound-insulation at demising walls at adjacent suites; verify STC rating with County.
- B. Provide full-height (floor to underside of ceiling) sound-insulation at interior walls.

#### DIVISION 8 – DOORS, WINDOWS AND GLAZING:

##### 1. Doors:

- A. New interior doors shall be solid-core construction.
- B. New door frames shall be pressed steel.
- C. Provide fire-rated assemblies, as required by code.
- D. Provide floor-mounted doorstops throughout.
- E. Levers and locks shall be “Heavy-Duty Commercial” type.
- F. Provide panic hardware, as required by code. Emergency exit doors to be equipped with Von Duprin Series #99, Series #33, or similar Detex alarm-type panic hardware.
- G. Provide door locks at locations shown on Preliminary Drawings.
- H. Provide access control keypads at locations indicated by County; see plans and specifications prepared by County Internal Services Department, Information Technology Service.
- I. Provide viewports at locations shown on Preliminary Drawings.
- J. Doors and door hardware shall comply with the accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
- K. Provide kickplate at Staff Workroom doors, inside swing (two required).
- L. Provide and install 4 ft. wide automatic telescoping glass pocket door at Public Entrance.

##### 2. Windows and Glazing:

- A. Provide fixed tempered glass windows at Staff Workroom and Community Library Manager; frames to match door construction.

#### DIVISION 9 – FINISHES:

##### 1. Carpet:

- A. Install new carpet throughout, unless otherwise indicated on Preliminary Drawings.

- B. Carpet shall be textured, patterned modular carpet tile, 24oz. minimum yarn weight throughout. Allow for up to four (4) patterns.
  - C. Specify Tandus. Refer to Public Library's carpet specifications.
2. Vinyl Tile:
- A. Install vinyl tile at locations shown on Preliminary Drawings.
  - B. Install static-dissipative tile in Main Communications Room.
  - C. Specify Armstrong "Excelon Premium" and Armstrong "SDT", or approved equal.
3. Topset Base:
- A. Install 4" vinyl topset base at all new and existing walls and cabinet bases in rooms scheduled to receive carpet or vinyl tile.
  - B. Specify Burke Mercer, or approved equal.
4. Ceramic Tile:
- A. Install new ceramic tile at public entrance and at electric drinking fountain.
  - B. Repair/replace existing ceramic tile at Custodian as required.
  - C. Specify Dal-Tile, or approved equal.
5. Paint:
- A. Paint all new interior spaces including, but not limited to walls, drywall ceilings, doors, and trim.
  - B. Provide one base color and up to four (4) accent colors:
    - Reading Area, Community Library Manager & Staff Workroom: semi-gloss.
    - Staff Lounge: semi-gloss
  - C. Specify Dunn Edwards, or approved equal.
6. Ceilings:
- A. Replace stained or damaged ceiling tiles as required to create a clean, uniform appearance throughout all areas; match existing tiles.
7. Window Coverings:
- Install new vertical blinds at all exterior windows, Levolor or similar.

Contact Bob Powell, (213) 974-4243, for all color and finish selections, (to be provided by Public Library).

#### DIVISION 10 – SPECIALTIES:

1. Signage:
  - A. Provide and install all necessary or required exit, occupant load, disability, toilet room signs.
  - B. Allow \$20,000 for additional interior and exterior signage.
2. Toilet Accessories:
  - A. Replace all damaged or missing grab bars and/or paper towel, tissue, soap, and sanitary napkin dispenser/disposal units in existing restrooms; Bobrick or similar.
  - B. Provide and install baby diaper changing stations in Public Toilets; Bobrick or equal.
3. - Install metal shelving, 15" deep, in Custodian.

#### DIVISION 11 – EQUIPMENT:

Provide and install at Staff Lounge:

- A. Microwave oven, counter-mounted; product submittal to be approved by Public Library prior to purchase and installation.
- B. Refrigerator (full size); product submittal to be approved by Public Library prior to purchase and installation.
- C. Garbage disposal.

#### DIVISION 12 – FURNISHINGS:

1. Lessor shall purchase, order, and install modular systems furniture and casegoods at the following locations shown on Preliminary Drawings:
  - Community Library Manager
  - Library Assistant
  - Children's Librarian
  - Reference Pod
  - Public Computers (12 required)
2. Lessor shall be responsible for coordination of the delivery and installation of the furniture with the general building improvements, including the hot-wire connections to the building's electrical and telecommunications systems.



3. Lessor shall obtain a proposal from the following furniture dealer, specifying "Haworth" product, and submit it to the County for review prior to order:

Interior Office Solutions. Contact Debra Haas, Business Development Manager, 909 North Sepulveda Blvd., Suite 970, El Segundo, CA 90245, (310) 726-9067, Ext. 113, [daas@iosinc.net](mailto:daas@iosinc.net).

4. Provide the following:

- A. Panels: "Enhanced Premise" panels, 3" thick, tiled acoustic, Grade 2 or B fabric, with glass inserts, with top cap and filler posts. See Preliminary Drawings for panel heights and glass locations.
- B. Work Surfaces: laminate top with radiused-edge detail; with grommots or clearance for cable access.
- C. Overhead Cabinet: painted, lockable, with task light, and tackable panel.
- D. Pedestal Drawers: full-depth, lockable, with utility tray (@ 6/6/12 drawers).
- E. Task Chairs: "Improv" mid-back, pneumatic, with seat and arm adjustment; non-upholstered arms; Grade 2 or B fabric.
- F. Management Chair "Improv" high-back, pneumatic, with upholstered arms and back; (private office) Grade 3 or C fabric.
- G. Caseworks: "Masters Series", wood veneer top and faces, with grommots (private office)
- H. Guest Chairs: "Candor", upholstered, open wood arms, upholstered back; (private office) Grade 3 or C fabric.
- I. Keyboards: Humanscale, model #5G90090HG.

DIVISION 13 – SPECIAL CONSTRUCTION:  
(No specific requirements)

DIVISION 14 – CONVEYING SYSTEMS:  
(No specific requirements)

DIVISION 15 – MECHANICAL SYSTEMS:

1. Plumbing (Provide hot and cold water at all sinks):
  - Remove existing water closets and lavatories in new Custodian and M.C.R. rooms.
  - Install mop sink in Custodian.

- Install double compartment, stainless steel sink, single-lever control, with garbage disposal, in Staff Lounge.

2. Heating, Ventilating and Air Conditioning System:

Heating, ventilating, and air conditioning system shall accommodate the tenant improvements. All rooms and areas shall have supply and return air, with an Energy Management System (EMS) for automatic temperature control.

Balance HVAC system after occupancy. Provide HVAC Air Balance Report to County for verification and record.

See plans and specifications prepared by the County of Los Angeles, Internal Services Department, Information Technology Service, for requirements for the M.C.R. room.

3. Fire Protection:

- A. Provide fire sprinkler and alarm system for the tenant improvements, as required by governing jurisdiction.
- B. Provide and install all fire extinguishers as required by local fire marshal, and at Staff Lounge.

DIVISION 16 – ELECTRICAL:

Note: Verify existing electrical panel locations; provide adequate clearance at each panel. Access panels to be painted to match adjacent wall colors.

1. Electrical:

- Provide convenience outlets at locations shown on Preliminary Drawings.
  - A. Provide special-use outlets for printers, copiers, refrigerators, garbage disposals, microwave ovens, self-check equipment, and other special uses. Provide dedicated circuits (20 amps) at locations directed by County.
  - B. Provide hot-wire connections for furniture system power and voice/data. Verify infeed locations with County.
  - C. Provide floor power monuments at locations shown on Preliminary Drawings.
  - D. Specify Leviton Decora Industrial Grade electrical receptacles and Leviton Decora Commercial Grade switches, wall plates, voice, data, and other devices; Color: white.
  - E. See plans prepared by the County of Los Angeles, Internal Services Department, for additional power requirements.

2. Lighting:

- A. Lighting shall accommodate the tenant improvements. Design for 50 footcandles (2 watts/square foot maximum) at 30" above finish floor for all areas excluding restrooms. Replace damaged and odd-style fixtures, and replace all lighting to create a clean, uniform look throughout all areas.
- B. Provide emergency exit lighting system as required by governing jurisdiction.

3. Telecommunications:

- A. Provide and install conduits and equipment as required by the County of Los Angeles for voice/data, intercom, public address, intrusion alarm, security, and computer network systems.
- B. Installation of all telecommunications and low voltage work, including conduits, must be in compliance with the Public Library's Communications / Low Voltage Specification for County of Los Angeles Public Library and plans and specifications prepared by the County of Los Angeles Internal Services Department, Information Technology Services.
- C. For additional information, contact John Johnson, (323) 267-3158

DATE POSTED – November 16, 2006

**NOTICE OF PREPARATION OF NEGATIVE DECLARATION**

This notice is provided as required by the California Environmental quality Act and California Administrative Code Title 14 Division 6, Section 15072 (a) (2) B.

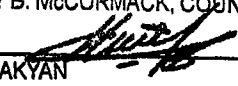
A Negative Declaration has been prepared for this site based on an Initial Study which consists of completion and signing of an Environmental Information Form showing background information as follows:

1. Name of Proponent - County of Los Angeles  
Chief Executive Office
2. Address/Phone No. - 222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, California 90012
- |                               |                                    |
|-------------------------------|------------------------------------|
| <u>Agent</u><br>Thomas Shepos | <u>Telephone</u><br>(213) 974-4364 |
|-------------------------------|------------------------------------|
3. Date Information Form Submitted – November 14, 2007
4. Agency Requiring Information Form - Los Angeles County  
Chief Executive Office  
Real Estate Division
5. Name of Proposal, if Applicable -
6. Address of Facility Involved – 27971 Sloan Canyon Road  
Castaic, CA 91384

**FILED**

NOV 15 2007

CONNY B. McCORMACK, COUNTY CLERK

  
N. SAHAKYAN DEPUTY

Interested parties may obtain a copy of the Negative Declaration and the completed Environmental Information Form/Initial Study by contacting the Real Property Agent indicated under 2 above and referring to the proposal by name or to the facility by address.

Si necesita informacion en espanol, por favor de comunicarse con Carlos Marquez, para asistencia en obtener una traduccion para el numero (213) 974-4163.

THIS NOTICE WAS POSTED  
ON NOV 15 2007  
UNTIL DEC 17 2007  
REGISTRAR-RECORDER/COUNTY CLERK

07 0027969

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**TEN-YEAR LEASE**

**NEGATIVE DECLARATION**

**I. Location and Description of the Project**

The proposed project is for the County of Los Angeles to lease facilities at 27971 Sloan Canyon Road, Castaic, California, which will be used by the Library Department (Library). Library will be using the space as a community library. The facility, located in the Fifth Supervisorial District approximately 36.4 miles from the Los Angeles Civic Center, includes 6,985 square feet of library space. The Library shall have use of 30 off-street parking spaces for staff in addition to available parking for visitors. The Landlord has no expansion plans beyond the scope of this project.

**II. Finding of No Significant Effect**

Based on the attached initial study, it has been determined that the project will not have a significant effect on the environment.

**III. Mitigation Measures**

None required.